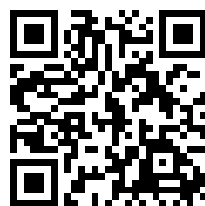


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DOCUMENTS ON  
BRITISH  
FOREIGN POLICY  
1919—1939

EDITED BY

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## PREFACE

THIS volume deals primarily with the policy of His Majesty's Government, between November, 1933, and August, 1934, in the situation created by the breakdown of the Disarmament Conference and the increasingly rapid progress of illegal German rearmament. His Majesty's Government were unwilling to take or join in steps to enforce upon Germany compliance with the disarmament clauses of Part V of the Treaty of Versailles; they also had not wholly given up hope of securing a Convention which, while allowing a certain measure of German rearmament, would in general result in a limitation and reduction of arms. The British attempt to get agreement among the Great Powers failed owing, on the one side, to the large demands made by the German Government and, on the other side, to the divergence between British and French views about the extent to which it was desirable—and safe—to make concessions to Germany in the hope of preventing an uncontrolled 'armaments race'.

With the final collapse of the Disarmament Conference and the unwillingness of His Majesty's Government to assume further responsibilities in Europe, the French Government turned to an arrangement with the Soviet Government. Chapters VII and VIII describe the first steps in the development of these Franco-Soviet proposals, and of the conditional support given to them by His Majesty's Government.

In addition to this principal theme, the volume also covers exchanges with the French, Italian and Austrian Governments with regard to the preservation of the independence of Austria against the menace of interference from Germany.

Chapter IX continues from the preceding volume the correspondence with the United States Government on the question of British war debts to the United States.

The conditions under which the Editors accepted the task of producing the volumes of the Collection, i.e. access to all papers in the Foreign Office archives and freedom in the selection and arrangement of documents, continue to be fulfilled.

I am most grateful to Miss A. Orde, M.A., Miss I. Bains, M.A., and Miss M. E. Lambert, B.A., for their help at various stages in the production of this volume, to Miss E. McIntosh, M.B.E., for drawing up the Chapter Summaries, and to the Librarian and Staff of the Foreign Office Library for their co-operation in the task of tracing documents.

E. L. WOODWARD

*June 26, 1956*



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# CHAPTER SUMMARIES

## CHAPTER I

The Disarmament Conference after the German withdrawal: discussions with the French and Italian Governments with regard to the German demands: Sir J. Simon's and Mr. Eden's conversations at Geneva (November 1-22, 1933)

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
1	SIR R. LINDSAY Washington Tel. No. 588	Nov. 1	Refers to enquiry regarding sale of aircraft to Germany (see Vol. V, No. 461) and transmits gist of memorandum received from State Department outlining procedure adopted by U.S. Government which U.S. Secretary of State believes conforms in all essentials with that of H.M.G. and will accomplish purpose in view.	1
2	SIR E. PHIPPS Berlin Tel. No. 248	Nov. 3	Reports that Government are redoubling their energy and pursuing election campaign as if opposition parties existed: whole of country being systematically whipped up to state of frenzied enthusiasm.	2
3	LORD TYRRELL Paris Tel. No. 264 Saving	Nov. 3	Transmits appreciation of opinion in France regarding disarmament: considers it unlikely that views of M. Sarraut's Government will differ materially from those of its predecessors: believes that so long as there is any solution open to France which will not, in her view, seriously imperil her security, she will prefer to work in concert with H.M.G., but there is point beyond which she will not go.	2
4	MR. SIMON Washington	Nov. 3	Letter to Mr. MacDonald referring to memorandum sent to State Department on September 14 regarding construction by U.S. Government of 10,000 ton 6-inch gun cruisers (see Vol. V, No. 392) and explaining his position and attitude he had taken up in this matter: believes he could not have made statement, referred to in <i>aide-mémoire</i> , that in practice it was very unlikely that U.S. Government would actually build a 10,000 ton 6-inch gun cruiser.	5
5	LORD TYRRELL Paris Tel. No. 267 Saving	Nov. 6	Refers to alleged German infractions of disarmament clauses of Treaty of Versailles and reports that he has reason to believe that French Government will shortly again press for answer to their communication asking for comments of H.M.G. on French dossier: they cannot understand H.M.G.'s reluctance to respond unless it is based on opinion that	8



NO. AND NAME	DATE	MAIN SUBJECT	PAGE
		signatories of Treaty must admit their impotence in face of German infractions: what French Government really want is to draw up common charge sheet for prompt use at proper moment.	
6 MR. EDEN Foreign Office	Nov. 6	Record of discussion between Mr. Henderson, Secretary of State and himself regarding future work of Disarmament Conference: three points detailed by Mr. Henderson on which he asked for views of H.M.G., (1) extension of 'no resort to force' to the world, (2) definition of aggressor, (3) reservation about police bombing: Mr. Henderson also raised question of penalties for infractions of the Convention.	8
7 MR. EDEN Foreign Office	Nov. 6	Record of conversation with French Ambassador who sought an assurance that H.M.G. still desired to co-operate with French at Geneva and that they were also determined that Germany should not be allowed to rearm: question of early meeting between French M.F.A. and Secretary of State discussed: considers French Government willing to work out convention but are nervous lest further concessions be asked from them at Bureau.	9
8 To SIR E. DRUMMOND Rome Tel. No. 355	Nov. 7	States that H.M.G. are still determined to work for convention which will embody reduction and limitation of armaments, but consider that correct procedure would be to endeavour to clear up difficulties by way of negotiation rather than discussion of Disarmament Convention in Bureau: Secretary of State to visit Paris on November 8 on way to Geneva where he hopes he will be able to discuss situation with Italian representative: instructions to inform Italian Government accordingly.	10
9 To LORD TYRRELL Paris Tel. No. 222	Nov. 7	Instructions to arrange for meeting for Secretary of State with M. Sarraut and M. Paul-Boncour on November 8 to discuss disarmament situation before meeting of Bureau at Geneva on November 9: still view of H.M.G. that convention for reduction and limitation of armaments must be sought: H.M.G. consider next stage should be one of negotiation in attempt to clear up differences between four principal European Powers.	11
10 SIR E. DRUMMOND Rome Tel. No. 317	Nov. 7	Reports interview with Signor Suvich who stated that General Göring had visited Signor Mussolini and explained German attitude towards disarmament: Signor Mussolini of opinion that policy proposed by Mr. Henderson to prepare a Convention and then present it to Germany to take or to leave was mistake: Signor Mussolini inclined to wait somewhat longer and see how matters developed.	11

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
11	SIR E. DRUMMOND Rome Tel. No. 318	Nov. 7	Refers to No. 10 and reports that in interview with Signor Mussolini on afternoon of November 7 latter recapitulated what Signor Suvich had already stated regarding General Göring's visit and confirmed Under-Secretary's views on disarmament procedure: Signor Mussolini was still hopeful of naval agreement with France and thought economic conditions in Europe might provide fillip for disarmament.	12
12	SIR E. DRUMMOND Rome Tel. No. 319	Nov. 7	Refers to No. 8 and reports what he considers to be Italian Government's views regarding question of proceeding with Convention without Germany: if it is still considered desirable, H.M.G.'s intentions can be explained to Italian Government with request that definite instructions be sent to Italian representative at Geneva.	13
13	TO MR. PATTESON Geneva Tel. No. 332 L.N.	Nov. 8	Transmits message for Mr. Henderson explaining why Sir J. Simon will not attend meeting of Bureau at Geneva on November 9: he will be represented by Mr. Cadogan.	13
14	LORD TYRRELL Paris Tel. No. 99	Nov. 8	Reports information from Ministry of Foreign Affairs regarding view of French Ambassador in Berlin that German Government have no intention of returning to Conference and that they intend to declare that new situation has been created which would justify them in considering Germany no longer bound by Part V of Treaty of Versailles: Ministry of Foreign Affairs have also learnt that German Government are making overtures to Poland and Czechoslovakia for separate agreements comprising mutual guarantee of non-aggression on condition that they are negotiated outside orbit of League: comments on likely reaction of French Government.	14
15	SIR E. DRUMMOND Rome Tel. No. 58 to Paris Tel. No. 320 to F.O.	Nov. 8	Message for Secretary of State reporting Signor Mussolini's views on disarmament proposals made to him by General Göring which were similar to those outlined to H.M. Ambassador at Berlin by Herr Hitler on October 24 (see Vol. V, No. 485).	15
16	TO LORD TYRRELL Paris Tel. No. 223	Nov. 8	States that H.M.G. are doubtful of wisdom of seeking to negotiate details of a disarmament convention until ground has been prepared by conversations between principal Powers: instructions to enquire views of French Government on certain points and ascertain whether they share view that thorough discussion must take place between H.M.G. and French Government regarding both objectives and policy: if so, perhaps they could suggest where and when such discussion could take place.	16

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
17	To SIR E. DRUMMOND Rome Tel. No. 357	Nov. 8	Refers to No. 12: instructions to see Signor Mussolini or Signor Suvich and inform him that H.M.G. are impressed with view which Italian Government have indicated and are inclined to agree with Signor Mussolini that more time is required for consideration and perhaps for exchanges of opinion: assumes that Italian Government are instructing their representative at Geneva to take line indicated by Signor Mussolini.	16
18	To SIR E. DRUMMOND Rome No. 937	Nov. 8	Records conversation with Italian Chargé d'Affaires who was informed of reasons why he (Secretary of State) had been unable to leave London for Geneva: it was explained to Chargé d'Affaires that H.M.G. had not reached final conclusion as to best method of procedure to be followed but were anxious to keep in touch with French and Italian Governments with view to facilitating common course of action.	17
19	To LORD TYRRELL Paris No. 1759	Nov. 8	Records conversation with French Ambassador regarding question of procedure at Geneva in view of Germany's withdrawal from Disarmament Conference: it was suggested to M. Corbin that conversations with French Ministers should take place in London.	17
20	SIR E. DRUMMOND Rome No. 853	Nov. 8	Refers to Nos. 11 and 15 and reports fully interview with Signor Mussolini on November 7, when latter spoke of need for Anglo-Italian unity and gave his views on question of disarmament convention and German proposals for disarmament.	19
21	SIR E. PHIPPS Berlin Tel. No. 257	Nov. 9	Refers to Chancellor's proposals regarding disarmament and suggests that it would be advisable, soon after German elections, to give Herr Hitler some indication of H.M.G.'s views thereon: U.S. Ambassador saw M.F.A. on November 9 and found him reserved but not opposed to idea of resumption of disarmament talks.	21
22	LORD TYRRELL Paris Tel. No. 100	Nov. 9	Refers to No. 27 regarding disarmament negotiations and reports that Secretary-General has been authorized to confirm indications which he communicated provisionally on November 8 of general attitude of French Government: they would welcome discussion with British Ministers but would not wish meeting to assume nature of conference: M. Léger suggested Geneva as meeting place.	22
23	LORD TYRRELL Paris Tel. No. 101	Nov. 9	Reports that Ministry of Foreign Affairs are considerably perturbed that Mr. Eden has not gone to Geneva: they fear that his absence will be connected with General Göring's visit to Rome and conclusion drawn that H.M.G. are losing faith in	22

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
		efficacy of collective action at Geneva and are inclining to separatist treatment of disarmament problem.	
24 SIR E. DRUMMOND Rome Tel. No. 322	Nov. 9	Refers to No. 17 and reports interview with Signor Suvich: confirms feeling of Italian Government reported in No. 12 that discussion of a convention without Germany should be avoided: instructions in the sense of advocating further time being allowed for reflection already sent to Italian representative at Geneva: Signor Suvich of opinion that after present meeting of Bureau there should be an adjournment to consider whether contact could be resumed with Germany.	23
25 SIR E. DRUMMOND Rome Tel. No. 323	Nov. 9	Refers to No. 24 and reports that in course of interview Signor Suvich explained reasons for General Göring's visit and gave further and more detailed account of German <i>desiderata</i> : Signor Suvich said that of course Italian Government desired a real reduction of armaments, but if this could not be obtained, German proposals should not be dismissed without careful reflection.	23
26 SIR E. PHIPPS Berlin Tel. No. 82 Saving	Nov. 9	Refers to No. 10 and reaffirms Herr Hitler's statement of October 24 that Germany would only require defensive weapons for her short-term army of 300,000 men, leaving 'highly armed' states to retain their present armaments including offensive weapons: Italian colleague of opinion that apparent generosity of Germans due to fact that they disbelieved in efficacy of latter weapons.	24
27 LORD TYRRELL Paris Tel. No. 272 Saving	Nov. 9	Refers to No. 16 and reports information from Secretary-General of Ministry of Foreign Affairs regarding French Government's views on points raised: in no circumstances could French Government be a party to holding out further concessions to Germany as they were convinced that nothing would induce Germany to return to Geneva: they considered it expedient, however, to proceed with framing of comprehensive disarmament convention and to leave it open to German accession.	25
28 MR. PATTESON Geneva Tel. No. 395 L.N.	Nov. 10	Message from Mr. Cadogan summarizing conversations with French, Italian and U.S. representatives regarding questions to be examined by new sub-committee set up by Bureau: procedure simply device to keep Bureau in being and to mark time in hope that principal Governments may find some basis from which an advance can be made towards agreement on larger problems.	26

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
29 SIR E. PHIPPS Berlin Tel. No. 258	Nov. 10	Reports information from French Ambassador that M.F.A., in reply to enquiry, denied that Germany had any intention of declaring after elections her intention of rearming: Baron von Neurath outlined Germany's proposals for disarmament convention and French Ambassador enquired whether, in order to make it possible for French public opinion, Germany would consent to some far-reaching plan of appeasement comprising questions of Saar, Poland, Czechoslovakia and Austria: M.F.A. declared that if German plan was accepted Germany would return to Geneva.	27
30 To LORD TYRRELL Paris Tel. No. 175 Saving To MR. BLAND Brussels Tel. No. 6 Saving To SIR E. DRUMMOND Rome Tel. No. 41 Saving To SIR J. ADDISON Prague Tel. No. 8 Saving To SIR W. ERSKINE Warsaw Tel. No. 8 Saving	Nov. 10	Transmits terms of oral communication to be made to Government to which accredited regarding action to be taken by signatories of Paris Air Agreement regarding export of aircraft and engines to Germany.	28
31 LORD TYRRELL Paris Tel. No. 276 Saving	Nov. 10	Refers to No. 22 regarding proposed Anglo-French conversations and reports objections seen by French Government to French Ministers visiting London at present juncture: French Government feel that any exchange of views should be postponed until Ministers meet at Geneva.	29
32 MR. EDEN Foreign Office	Nov. 10	Records conversation with French Ambassador regarding statement which M. Paul-Boncour proposed to make in French Chamber regarding French policy on disarmament: hope was expressed that M. Paul-Boncour would not be more rigid than was absolutely necessary in his declaration that France had made her maximum offer: M. Corbin again raised question of exchange of information regarding German infractions of Treaty of Versailles and hoped that matter could now be considered.	30
33 SIR E. PHIPPS Berlin Tel. No. 259	Nov. 11	Reports information that Dr. Brüning has gone into hiding owing to likelihood of his being interned: according to informant relations between Herr Hitler and Catholic hierarchy have deteriorated.	33



NO. AND NAME	DATE	MAIN SUBJECT	PAGE
<b>34</b> SIR E. DRUMMOND Rome Tel. No. 330	Nov. 14	Refers to No. 30 and reports conversation with Signor Suvich regarding communication made to him: fears Italian Government may raise difficulties regarding written assurances and are likely to follow American line.	33
<b>35</b> MR. PATTESON Geneva Tel. No. 407 L.N.	Nov. 15	Message for Secretary of State from Mr. Strang transmitting gist of conversation which Brigadier Temperley had with Mr. Henderson when latter explained reasons for his threatened resignation: Mr. Henderson hoped that there would be conversations in Paris on November 16 or 17 between French and British Ministers.	34
<b>36</b> SIR E. DRUMMOND Rome Tel. No. 332	Nov. 15	Reports conversation with Signor Suvich who explained that what Signor Mussolini had in mind in his speech of November 14 was hopelessness of continuing negotiations at Geneva at present juncture: his idea was that it would be better to prepare way for further negotiations in Geneva by discussion elsewhere: suggests reasons for Signor Mussolini's outburst.	34
<b>37</b> SIR E. DRUMMOND Rome Tel. No. 333	Nov. 15	Refers to No. 36 and reports observations of Signor Suvich regarding disarmament: he stated that Geneva was paralysed, that it was useless to continue to take steps on technical questions there when large political issues were undecided and, as illustration of danger of continuing discussions, pointed to Japanese opposition to control: Signor Suvich then summarized Italian Government's attitude towards control and inspection.	35
<b>38</b> To SIR E. DRUMMOND Rome No. 967	Nov. 15	Records conversation with Signor Grandi regarding disarmament when views of Italian Government and H.M.G. concerning present situation were exchanged.	36
<b>39</b> SIR E. PHIPPS Berlin No. 1128	Nov. 15	Reports that referendum and new Reichstag elections, which took place on 12th instant, resulted in 90 per cent. vote for foreign policy of Government: comments on conduct of elections.	37
<b>40</b> LORD TYRRELL Paris Tel. No. 105	Nov. 16	Reports conversation with M. Paul-Boncour who communicated French Government's views regarding disarmament situation: in circumstances French Government saw no alternative but to continue negotiations for a comprehensive convention: they believed that if Great Britain and France were firmly resolved to carry on at Geneva, Italy would make no further difficulty: M. Paul-Boncour emphasized that some decision must be taken soon as it would be deplorable if Mr. Henderson were to resign.	41

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
41 LORD TYRRELL Paris Tel. No. 107	Nov. 16	Refers to No. 40 and reports M. Paul-Boncour's enquiry whether H.M.G. intended to publish Blue Book on Disarmament Conference: French Government would see no objection to publication of full story, including description of French concessions.	42
42 LORD TYRRELL Paris Tel. No. 108	Nov. 16	Refers to No. 40 and transmits message from M. Paul-Boncour that reluctance of French Ministers to go to London implied no lack of courtesy and was due simply to realization that at present moment visit could lead to no concrete result and would consequently arouse great disappointment.	43
43 LORD TYRRELL Paris Tel. No. 109	Nov. 16	Refers to No. 40 and reports that although views expressed by M. Paul-Boncour represent considered views of French Government there are signs of movement in favour of separate arrangement with Germany: there is feeling that in light of recent events France can no longer count on support of Great Britain in resisting German rearmament and may soon be compelled to make best terms she can with Germany on her own account.	43
44 MR. EDEN Foreign Office	Nov. 16	Records conversation with German Ambassador who was told of Secretary of State's and his (Mr. Eden's) departure for Geneva on November 17 to engage in conversations to determine future work of Disarmament Conference: Ambassador defended German Government's recent attitude towards disarmament and stressed Herr Hitler's desire for peace.	44
45 FRENCH AMBASSADOR London	Nov. 16	<i>Aide-mémoire</i> asking for early reply from H.M.G. to suggestion for joint Anglo-French examination of French dossier of German infractions of disarmament clauses of Versailles Treaty.	45
46 LORD TYRRELL Paris No. 1590	Nov. 16	Refers to No. 40 and transmits reply of French Government respecting their attitude on certain points resulting from Germany's withdrawal from Conference.	46
47 SIR E. DRUMMOND Rome Tel. No. 335	Nov. 17	Reports that in conversation on November 17 German Ambassador emphasized very strongly that <i>desiderata</i> regarding 300,000 men, &c., were only indicated by Chancellor as possible alternative if general disarmament, which Germany greatly preferred, were impracticable.	48
48 LORD TYRRELL Paris No. 1601	Nov. 17	Transmits copies of two memoranda by Military Attaché on his conversations at Ministry of War on question of disarmament, French information regarding German preparations for war in near future and General Weygand's views on French effectives under MacDonald plan.	48

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
49 LORD TYRRELL Paris No. 1605	Nov. 17	Discusses French policy in view of Germany's withdrawal from Disarmament Conference and League of Nations: considers that policy which commends itself to Government and majority of French opinion is that of abiding at Geneva, of maintaining the Anglo-French-American-Italian front of September last and of proceeding with negotiation of convention in spite of absence of Germany.	54
50 SIR E. DRUMMOND Rome Tel. No. 33 to Geneva Tel. No. 337 to F.O.	Nov. 18	Reports interview with Baron Aloisi who stated that he would be unable to go to Geneva but that Italian Government would be represented by Signor di Soragna: Baron Aloisi outlined Italian Government's views regarding present situation concerning disarmament and stated that Italian Government laid greatest weight on close co-operation between Great Britain and Italy: considers that Italian Government are determined not to go back to Geneva for negotiations while Germans are absent.	58
51 MR. PATTESON Geneva Tel. No. 412 L.N.	Nov. 18	Message from Secretary of State for Sir R. Vansittart stating that there was no serious confusion at Geneva regarding relation of October suggestions to British Draft Convention although French protest that they cannot make further concessions: informs of movements during week beginning November 21.	59
52 UNITED KINGDOM DELEGATE Geneva No. 247	Nov. 19	Transmits record of conversation between Sir J. Simon and Mr. Henderson on November 18 regarding future procedure concerning disarmament.	60
53 UNITED KINGDOM DELEGATE Geneva No. 248	Nov. 19	Transmits record of conversation between Sir J. Simon and M. Paul-Boncour on November 18 regarding disarmament: French point of view fully explained and future procedure discussed.	64
54 UNITED KINGDOM DELEGATE Geneva No. 249	Nov. 19	Transmits record of conversation between Mr. Eden and M. Massigli on November 18 regarding disarmament: difference between British and French points of view on policy and procedure discussed.	69
55 UNITED KINGDOM DELEGATE Geneva No. 250	Nov. 19	Transmits record of conversation between Sir J. Simon and Signor di Soragna on November 18 regarding disarmament: Italian point of view regarding procedure put forward by Signor di Soragna.	70
56 UNITED KINGDOM DELEGATE Geneva No. 253	Nov. 19	Transmits record of conversation between Sir J. Simon and Mr. Henderson on November 19 regarding French and Italian attitude concerning disarmament.	73

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
57	UNITED KINGDOM DELEGATE Geneva No. 254	Nov. 19	Transmits record of conversation on November 19 between Mr. Eden and M. Viénot of French Delegation who gave an appreciation of French attitude towards disarmament: Mr. Eden suggested way for continuation of work at Geneva.	77
58	MR. PATTESON Geneva Tel. No. 417 L.N.	Nov. 21	Message from Mr. Eden stating that French were reluctant to agree to suspension of work of committees and that they could not agree to formula of November 20 which they stated would stop committees at once: some form of agreement which might allow of committees being suspended after a few further meetings now being sought.	79
59	SIR E. PHIPPS Berlin Tel. No. 91 Saving	Nov. 21	Reports information from Count Dembinski of P.A.T. agency regarding Polish-German relations: Polish policy had to be adapted to changing circumstances and Polish Minister's mission was conclusion of an Eastern Locarno: Count Dembinski was to prepare for change in attitude of Polish and German press and he and Dr. Goebbels had matter in hand.	80
60	SIR E. PHIPPS Berlin No. 1159	Nov. 21	Surveys economic, financial and political situation of Germany and discusses various factors influencing German policy.	81
61	MR. PATTESON Geneva Tel. No. 418 L.N.	Nov. 22	Message from Mr. Eden referring to No. 58 and reporting that owing to French attitude it had not been possible to reach agreement on formula regarding suspension of work of committees: transmits text of draft which will be used by President in his statement to Bureau on November 22 to which British, Italian and U.S. representatives have agreed: meeting of General Assembly should not be necessary.	91
62	SIR E. DRUMMOND Rome Tel. No. 345	Nov. 22	Reports conversation with Signor Aloisi who said that if postponement of Disarmament Conference were agreed to, diplomatic negotiations should begin at once: he suggested that he and three Ambassadors at Rome should be negotiators, or, alternatively, negotiations should start between Great Britain and Italy: in reply to enquiry regarding German Government's attitude, Baron Aloisi said that German Government had said much the same to Italian Government as they had to H.M.G.	92
63	MR. PATTESON Geneva Tel. No. 420 L.N.	Nov. 22	Message from Mr. Eden stating that at meeting of Bureau on November 22 it was decided to postpone General Commission until January: parallel and supplementary efforts with full use of diplomatic machinery to be undertaken immediately and President in consultation with officers and chairmen of committees to be advised how far work of committees should be carried on in meantime.	92

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
64	UNITED KINGDOM DELEGATE Geneva No. 260	Nov. 22	Transmits record of meeting between Mr. Henderson and representatives of Great Britain, France, Italy and United States on November 19 when question of procedure for future work of Conference discussed.	93
65	UNITED KINGDOM DELEGATE Geneva No. 261	Nov. 22	Transmits record of meeting between Mr. Henderson and representatives of Great Britain, France, Italy and United States on November 20 when question of procedure for future work of Conference discussed.	101
66	UNITED KINGDOM DELEGATE Geneva No. 262	Nov. 22	Transmits record of two meetings between Mr. Henderson and representatives of four Powers on November 21 continuing discussions of November 20: draft of statement to be made by President to Bureau discussed.	104
67	SIR E. PHIPPS Berlin No. 1168	Nov. 22	Reports conversation on November 20 with Minister of War regarding Germany's attitude towards disarmament: General von Blomberg explained Germany's requirements in calibre of guns, submarines and battleships: he also outlined Germany's attitude towards supervision, the Locarno treaties and French demand for security.	109

## CHAPTER II

Divergence of views between the British and French Governments with regard to policy towards German demands for rearmament: Sir E. Phipps's instructions of December 7 to communicate British views to Herr Hitler (November 23–December 11, 1933)

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
68	SIR E. DRUMMOND Rome Tel. No. 348	Nov. 23	Reports information from French Ambassador regarding his interview with Signor Mussolini on November 18, when latter gave his views on possibility of securing some measure of disarmament at present time and on concessions which should be made to Germany.	112
69	SIR E. PHIPPS Berlin Tel. No. 93 Saving	Nov. 23	Reports information from French Ambassador regarding alternatives he is putting before his Government concerning action to be taken in view of fact that Germans intend to rearm up to certain point.	113
70	MR. EDEN Foreign Office	Nov. 23	Summarizes conversation at Geneva on November 22 with Dr. Benes who outlined his views on the international situation in relation to disarmament, future of League of Nations and German policy in Europe.	113



NO. AND NAME	DATE	MAIN SUBJECT	PAGE
71 SIR E. DRUMMOND Rome No. 909	Nov. 23	Refers to No. 68 and amplifies information contained therein: in answer to enquiry of French Ambassador regarding reference in Signor Mussolini's speech of November 18 to 'great injustices' and to League of Nations, latter explained that 'great injustices' was allusion to war debts and developed his objections to League of Nations in its present form. Signor Mussolini agreed that time had come for diplomatic negotiations with regard to armaments problem.	116
72 SIR E. DRUMMOND Rome Tel. No. 353A	Nov. 25	Reports information from Secretary-General of League of Nations that Signor Mussolini had explained to him his views on disarmament: these were substantially same as already reported but Signor Mussolini had suggested that Poland and perhaps Little Entente should be included in conversations before final reference back to Geneva: M. Avenol had suggested to Baron Aloisi that diplomatic conversations should be centred in Rome.	118
73 SIR E. DRUMMOND Rome Tel. No. 354	Nov. 25	Refers to No. 72 and requests that Russia and United States should be added to countries mentioned by Signor Mussolini as parties to conversations: M. Avenol made no mention of Japan.	119
74 TO LORD TYRRELL Paris Tel. No. 228	Nov. 25	Instructions to inform Quai d'Orsay that H.M.G. are informing German Government that they are taking note of suggestions made by Herr Hitler which were communicated semi-officially to French Ambassador in Berlin (see No. 29): agrees with comments of French Ambassador in Berlin that suggestions appear to involve some rearmament and that secure basis for agreement would best be provided by political appeasement: asks for observations on No. 77: advances one reason why H.M.G. are disposed to encourage Franco-German discussions.	119
75 TO SIR E. DRUMMOND Rome Tel. No. 384	Nov. 25	Refers to No. 72: instructions not to encourage idea that diplomatic conversations should centre in Rome.	120
76 TO SIR E. DRUMMOND Rome Tel. No. 383	Nov. 25	Refers to Nos. 15 and 68: instructions to inform Signor Mussolini of H.M.G.'s interest in his views on future work for disarmament and in his comments on Herr Hitler's proposals of October 24 and to ask him whether he has any further views as to suggested modifications.	120
77 TO SIR E. PHIPPS Berlin Tel. No. 230	Nov. 25	Instructions regarding observations to be made to Chancellor and Baron von Neurath regarding Herr Hitler's proposals of October 24: enquires views on certain points and asks how far Franco-German conversations have gone and whether there is anything that can be done to assist.	121

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
78 SIR E. DRUMMOND Rome Tel. No. 357	Nov. 27	Refers to No. 76 and reports interview with Signor Mussolini who did not dissent from view that bilateral conversations through diplomatic channels were best method of making progress at present stage: he promised to keep H.M.G. informed of any proposals made to him by German Government but said he was unwilling to press them for more detailed information: summarizes Signor Mussolini's views on German demands and on inevitability of war if no disarmament convention secured.	122
79 SIR E. PHIPPS Berlin Tel. No. 97 Saving	Nov. 27	Reports information from French Ambassador regarding his interview with Herr Hitler on November 24: Chancellor, after referring with anger to 'Petit Parisien' disclosures, said that he adhered to his disarmament proposals of October 24, that he would welcome Anglo-French defensive alliance, declared that Germany would not return to League in its present form and outlined Germany's policy with regard to the Saar, Austria and Locarno treaty.	123
80 SIR E. PHIPPS Berlin Tel. No. 98 Saving	Nov. 27	Refers to No. 77 and reports that Chancellor is away until November 29 but that he will see Baron von Neurath on November 27: transmits views on sincerity of German offer, modifications necessary to make it acceptable to France and on probable ineffectiveness and dangers of direct Franco-German discussions: considers it would seem desirable soon to initiate conversations in one capital.	125
81 SIR E. PHIPPS Berlin Tel. No. 99 Saving	Nov. 27	Reports information from French Ambassador that according to French Ambassador at Washington (i) Mr. Roosevelt would support any plan for disarmament agreed upon by France and England, but opposed any form of German rearmament, and (ii) that M. Litvinov strongly deprecated any such rearmament which would greatly increase Herr Hitler's prestige and consolidate Nazi régime in Germany: considers that in view of notorious disinclination of any Power to embark on sanctions only alternative appears to be controlled or uncontrolled rearmament of Germany.	126
82 LORD TYRRELL Paris Tel. No. 295 Saving	Nov. 27	Refers to No. 74 and reports that communication was made on November 27 to Secretary-General of Ministry of Foreign Affairs: M. Léger afterwards read long telegram from French Ambassador at Berlin giving account of his interview with Herr Hitler, in course of which latter stressed his pacific intentions, outlined	127

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
		Germany's <i>desiderata</i> as regards rearmament and her attitude regarding possible Anglo-French defensive alliance, Czechoslovakia, Austria, the Saar and the League of Nations.	
83 FOREIGN OFFICE	Nov. 27	Memorandum on German-Polish Declaration of November 16 (see No. 59, note 3) and memorandum on German-Polish relations.	128
84 LORD TYRRELL Paris No. 1648	Nov. 27	Refers to No. 30 and transmits copy of Note of November 27 from Ministry of Foreign Affairs regarding sale of foreign aircraft and engines to Germany.	133
85 TO MR. STIMSON Washington	Nov. 27	Letter from Prime Minister acknowledging Mr. Stimson's letter of November 3 (No. 4) regarding construction by U.S. Government of 10,000 ton 6-inch gun cruisers and informing him that he (Mr. MacDonald) accepted it as a perfectly accurate account of Mr. Stimson's position in the matter: Mr. MacDonald explained reasons for Note to Washington of September 14.	135
86 TO FRENCH AMBASSADOR London	Nov. 27	Letter from Secretary of State referring to No. 45 and explaining why in H.M.G.'s opinion joint examination of information contained in French memorandum of August 4 concerning German rearmament would not in present circumstances be desirable.	137
87 LORD TYRRELL Paris Tel. No. 113	Nov. 28	Refers to No. 82 and reports further conversation with M. Léger who said that Chancellor was evidently making strong bid for all-round agreement with France and that new French Government would shortly have to decide which course they would follow: M. Léger commented on policies open to French Government but said he did not think M. Chautemps would authorize further step of any kind until matter had been fully discussed in Council of Ministers: refers to No. 77 and comments on two courses which M. Léger declares French Government must now choose between.	137
88 SIR E. PHIPPS Berlin No. 1191	Nov. 28	Reports speech of Chancellor at funeral ceremony of German soldier shot by member of Austrian Heimwehr near Austro-German frontier on November 24.	139
89 SIR E. PHIPPS Berlin Tel. No. 102 Saving	Nov. 29	Reports that French Ambassador has received no indication of views of French Government on his last conversation with Chancellor and continues to think that nothing concrete will emerge until after formation of really strong Government in France: reports information from Italian Ambassador regarding Herr von Bülow's views concerning agreement with France over Saar question.	141

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NO. AND NAME	DATE	MAIN SUBJECT	PAGE
90 SIR E. PHIPPS Berlin Tel. No. 271	Dec. 1	Reports that Baron von Neurath continues fairly hopeful regarding ultimate result of Franco-German conversations but thinks that they must not be rushed and that time is necessary to enable French public opinion to become sufficiently realistic and to cause formation of strong Government in France: expects to see Chancellor in following week.	141
91 To LORD TYRRELL Paris No. 1859	Dec. 1	Records conversation with French Ambassador when Herr Hitler's proposals regarding disarmament, questions of the Saar and revision of constitution of League of Nations discussed: in reply to enquiry regarding German-Polish relations, M. Corbin stated that he understood that Lipski-Hitler conversations had resulted in declaration that two countries were resolved to regulate differences between them by peaceful means: in regard to Franco-German conversations, M. Corbin indicated that France had some misgivings about bilateral conversations and felt that this method left her rather isolated.	142
92 To LORD TYRRELL Paris No. 1860	Dec. 1	Transmits copy of <i>aide-mémoire</i> left by French Ambassador with Secretary of State at interview on December 1 in which French Government emphasize great importance they attach to joint examination of information on subject of German rearmament.	143
93 LORD TYRRELL Paris Tel. No. 299 Saving	Dec. 2	Reports unfortunate impression created by Secretary of State's Note of November 27 declining to examine French evidence of German illicit rearmament (see No. 86): suggests way in which French Government, who are at a loss to understand refusal to check evidence, might be appeased.	145
94 MR. STRANG Geneva	Dec. 4	Record of conversation on December 4 with M. Viénot of French Delegation who discussed two conceptions of foreign policy now current in French public opinion, and suggested policy, which he emphasized was personal one, whereby solution of present Franco-German deadlock might be reached.	146
95 To LORD TYRRELL Paris No. 1877	Dec. 4	Records conversation with French Ambassador on subject of disarmament policy: M. Corbin emphasized that proposals made on October 14 represented furthest point to which French Government could go and went on to speak of Herr Hitler's offer and of French doubts of attitude of H.M.G. in regard to it: French Government anxious to know exact position of H.M.G. regarding question.	147

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
96	To SIR E. PHIPPS Berlin Tel. No. 235	Dec. 5	Refers to No. 90 and assumes that Ambassador has not yet had interview with Chancellor: expects to send definite instructions on December 7 regarding Herr Hitler's proposals.	149
97	SIR E. PHIPPS Berlin Tel. No. 274	Dec. 5	Summarizes interview with Chancellor on December 5 regarding latter's proposals of October 24: suggestion made by Herr Hitler that French demands for security could be met by conclusion of comprehensive series of bilateral non-aggression pacts.	149
98	SIR E. PHIPPS Berlin Tel. No. 275	Dec. 5	Refers to No. 97 and suggests reasons why early reply to German offer is desirable: in return for any reduction in proposed army of 300,000 French would have to be forthcoming over Saar: strongly deprecates any division of territory as being likely to constitute an Alsace-Lorraine for future.	150
99	SIR E. PHIPPS Berlin No. 1217	Dec. 5	Refers to No. 97 and reports in full interview with Herr Hitler on December 5.	151
100	SIR W. SELBY Vienna No. 327	Dec. 5	Reports interview with Dr. Dollfuss when Austro-German relations discussed: Chancellor said he was surprised at tone of Herr Hitler's speech at Nürnberg on November 27, and also expressed concern lest France and other Great Powers should sacrifice Austria in order to obtain settlement of their own differences with Germany: Dr. Dollfuss stated that Austria was already in negotiation with Italy for use of Trieste as port for Austrian trade and spoke of Austro-Czech and Anglo-Austrian relations.	154
101	SIR E. PHIPPS Berlin Tel. No. 276	Dec. 6	Reports information from French Ambassador regarding suggestion made to State Secretary, in view of Captain Röhm's inclusion in Cabinet, that some arrangement might be made whereby semi-military formations in all countries should be bound by strict regulations regarding training exercises, &c. Herr von Bülow seemed to think that some such arrangement would be agreeable to Germany: considers Chancellor really desires comprehensive settlement.	157
102	SIR E. PHIPPS Berlin Tel. No. 277	Dec. 6	Reports that he has informed French and Italian colleagues of such features of Chancellor's proposals as concern their respective countries: French Ambassador hopes that H.M.G. will urge Paris seriously to consider proposals as basis for negotiation.	157
103	LORD TYRRELL Paris No. 1687	Dec. 6	Transmits copy of Report No. 19 of December 4 from Military Attaché respecting his conversation with head of Deuxième Bureau at Ministry of War on progress in German rearmament and Germany's readiness for war.	158

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
104	SIR E. PHIPPS Berlin Tel. No. 280	Dec. 7	Reports that French Ambassador has been instructed to inform Chancellor that suggested rearmament causes gravest concern to French Government: he will add that Saar plebiscite must take place in 1935.	166
105	To SIR E. PHIPPS Berlin Tel. No. 238	Dec. 7	Refers to No. 98: transmits preliminary impressions of H.M.G. regarding Chancellor's proposals of October 24 with instructions to communicate them to Herr Hitler.	166
106	SIR W. SELBY Vienna Tel. No. 128	Dec. 7	Reports information from French Minister that, in reply to enquiry, Dr. Dollfuss stated that report published in Prague that he was going to Berlin to discuss solution of Austro-German difficulty on basis of admission of two local Nazi Ministers to his Cabinet was without foundation: in view of possible extension of Germany's influence throughout Central Europe, suggests that Herr von Neurath's reported visit to Angora may be worthy of some attention.	167
107	To SIR E. PHIPPS Berlin Tel. No. 239	Dec. 7	Refers to No. 105: instructions to inform Chancellor, should he be disposed to treat communication as unduly critical and discouraging, that H.M.G. feel that by mentioning plainly and at once some of difficulties foreseen, not as barren objections, but as constructive suggestions, speediest road to general agreement may be discovered.	168
108	To SIR E. PHIPPS Berlin Tel. No. 242	Dec. 7	Outlines present position regarding 'security': question is whether Herr Hitler is able and willing to offer any alternative in place of suggestions of October 14: German threat to leave League has increased need for additional measures of security.	168
109	To SIR E. DRUMMOND Rome Tel. No. 403	Dec. 7	Refers to No. 105: instructions to inform Signor Mussolini in strict confidence of substance of instructions to Sir E. Phipps and say that he will be informed of any answer received from Herr Hitler.	169
110	To SIR R. LINDSAY Washington Tel. No. 509	Dec. 7	Instructions to communicate contents of No. 105 in strict confidence to U.S. Secretary of State.	169
111	MR. STEVENSON Foreign Office	Dec. 7	Record of conversation at Geneva with Mr. Hugh Wilson who informed him of the two eventualities in which Mr. Henderson had told him he would summon meeting of Bureau of Disarmament Conference during January: Mr. Wilson gave reasons why he could not accept Secretary of State's invitation to visit London to discuss disarmament question.	169
112	To LORD TYRRELL Paris No. 1888	Dec. 7	Records conversation with French Ambassador who was informed that H.M.G. hoped shortly to let French Government have reply to their request regarding	170

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
		examination of French dossier concerning German rearmament: full explanation given to M. Corbin regarding reply sent to Herr Hitler concerning his proposals of October 24 and copy of No. 105 communicated to him.	
113 To MR. CAMPBELL Paris Tel. No. 236	Dec. 8	Refers to No. 104 and records conversation with French Ambassador who was informed of apprehension that instructions to French Ambassador in Berlin might cut across H.M.G.'s communication to Herr Hitler: understands French Ambassador in Berlin will not be acting on instructions before middle of following week.	172
114 SIR E. PHIPPS Berlin Tel. No. 282	Dec. 8	Refers to No. 105 and reports interview with Herr Hitler when latter gave further details regarding his proposals of October 24.	173
115 To MR. CAMPBELL Paris Tel. No. 237	Dec. 8	Refers to No. 112: instructions regarding suggestion to be made to French Government that they should support enquiries which Sir E. Phipps has been instructed to make to Herr Hitler and endeavour to elicit from Chancellor more precisely German attitude on both political guarantees and technical questions: H.M.G. particularly wish to know views of French Government on Herr Hitler's suggestion for direct Franco-German settlement of Saar question.	174
116 To MR. CAMPBELL Paris No. 1903	Dec. 8	Refers to No. 104 and records conversation with French Ambassador who was informed of concern of H.M.G. that instructions given to French Ambassador in Berlin might cut across <i>démarche</i> initiated by Sir E. Phipps: M. Corbin explained reason for instructions and argued that they need not necessarily have effect of interrupting conversations which might be set in motion by action taken at Berlin by H.M.G.	175
117 MR. CAMPBELL Paris Tel. No. 116	Dec. 9	Refers to No. 115 and reports interview with Secretary-General of Ministry of Foreign Affairs who described nature and import of instructions sent to French Ambassador at Berlin: appears to be clear that French Government will not sign agreement involving German rearmament and will not continue discussions on that basis: interview with M.F.A. being arranged but considers result will be same.	176
118 To MR. CAMPBELL Paris Tel. No. 238 To SIR E. DRUMMOND Rome Tel. No. 404	Dec. 9	Refers to No. 114 and states that substance of interview referred to has been communicated by Sir E. Phipps to his French and Italian colleagues.	179

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
119	SIR E. DRUMMOND Rome Tel. No. 375	Dec. 9	Refers to No. 122 and reports that impression of interview was that Signor Mussolini thought that present German terms should be accepted as soon as possible lest worse befall.	179
120	SIR E. PHIPPS Berlin Tel. No. 109 Saving	Dec. 9	Refers to No. 101 and comments on interview with Herr Hitler on December 8: refers to question of S.A. and S.S. and considers Herr Hitler's suggestion that they should be subject to automatic and periodic supervision helpful.	179
121	SIR E. DRUMMOND Rome Tel. No. 58 Saving	Dec. 9	Refers to No. 34 regarding sale of aircraft to Germany and reports that he expects to receive shortly Italian Government's reply to communication concerning matter: Signor Suvich stated that Italian Government's attitude would be same as that of United States.	180
122	SIR E. DRUMMOND Rome No. 947	Dec. 9	Refers to No. 119 and reports interview with Signor Mussolini when substance of preliminary impressions of H.M.G. in regard to Herr Hitler's proposals (No. 105) communicated to him: Signor Mussolini discussed various aspects of disarmament and spoke very strongly of folly of present French policy.	181
123	SIR E. DRUMMOND Rome No. 956	Dec. 9	Reports interview with Signor Suvich when account of interview of Sir E. Phipps with Herr Hitler communicated to him (No. 114): Signor Suvich was considerably impressed by progress which was being made and again expressed his failure to understand French policy.	182
124	TO SIR E. PHIPPS Berlin	Dec. 9	Letter from Mr. Sargent drawing attention to certain questions which have cropped up during discussion on Herr Hitler's proposals concerning German army and aircraft regarding which it would be interesting to have information.	183
125	SIR E. PHIPPS Berlin	Dec. 9	Letter to Mr. Sargent referring to Mr. Baldwin's three alternatives regarding disarmament mentioned by him in House on November 27 (see No. 97, note 2) and pointing out that second alternative, which is only practical one, appears to offer Germany more attractive solution in respect of offensive weapons than Herr Hitler himself proposed on October 24.	185
126	MR. CAMPBELL Paris Tel. No. 117	Dec. 10	Refers to No. 117 and reports interview with M.F.A. on December 9 when point of view of H.M.G. regarding disarmament negotiations again put to M. Paul-Boncour: M. Paul-Boncour proved to be inflexible and repeated over and over again that France had gone to utmost limit in concessions she had already made.	185



	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
127	SIR E. PHIPPS Berlin Tel. No. 112 Saving	Dec. 10	Reports conversation with U.S. Ambassador regarding situation in Europe: Mr. Dodd appreciated difficulties being experienced with French but said that he believed that President Roosevelt would be inclined to make co-operation with H.M.G. in Europe contingent on greater co-operation with U.S. in Far East.	187
128	MR. EDEN Foreign Office	Dec. 11	Minute recording conversation with Signor Grandi who explained purport of Signor Suvich's visit to Berlin: disarmament would be one of subjects discussed.	188
129	SIR E. PHIPPS Berlin No. 1245	Dec. 11	Reports decision of Prime Minister of Prussia to release certain prisoners from concentration camps in view of favourable results of Reichstag election.	188

### CHAPTER III

German replies to the British and French Notes: further Anglo-French discussion of the policy to be adopted towards the German demands: British Note of December 20 and French Note of January 1 to the German Government: Sir J. Simon's interviews with Signor Mussolini (December 12, 1933-January 14, 1934)

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
130	SIR E. PHIPPS Berlin Tel. No. 288	Dec. 12	Refers to No. 120 and reports information from French Ambassador regarding his interview with Chancellor and Baron von Neurath on December 11 when M. François-Poncet stated views of his Government on disarmament and formulated two reserves regarding German rearmament and Saar plebiscite.	190
131	MR. CAMPBELL Paris Tel. No. 118	Dec. 12	Reports information from Secretary-General of Ministry of Foreign Affairs regarding interview of French Ambassador in Berlin with Herr Hitler on December 11: apart from comment on Saar plebiscite Herr Hitler made no remark of any substance and confined himself to request for <i>aide-mémoire</i> of what had been said to him.	191
132	SIR E. PHIPPS Berlin No. 1251	Dec. 12	Refers to Nos. 105 and 114 and transmits translation of Chancellor's reply to private and unofficial letter addressed to Baron von Neurath on December 8 containing H.M.G.'s preliminary impressions of Herr Hitler's proposals of October 24.	192
133	MR. STIMSON New York	Dec. 13	Letter to Mr. MacDonald acknowledging No. 85 and stating that advantage will be taken of permission to show it to his successor in Department.	197

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
134	LORD TYRRELL Paris Tel. No. 317 Saving	Dec. 15	Discusses opinion in France and attitude of Government regarding disarmament, rearmament of Germany and Anglo-French co-operation: considers that if some middle way could be found involving measure of disarmament by France and mild measure of rearmament by Germany, M. Chautemps would take it rather than face definite breach with Great Britain.	197
135	SIR G. CLERK Brussels No. 631	Dec. 18	Transmits copy of Note of December 16 from Belgian Government to French Government, received from M.F.A., urging French Government to continue conversations with German Government regarding disarmament: M.F.A. stated that there was important section of French public opinion which was strongly opposed to any direct conversation between Paris and Berlin and two of most powerful influences working in that direction were M. Paul-Boncour and M. Herriot.	200
136	SIR E. DRUMMOND Rome Tel. No. 382	Dec. 19	Reports that Baron Aloisi has again emphasized urgency of agreed settlement on armaments: German demands were increasing every week and would continue to increase.	203
137	SIR E. DRUMMOND Rome No. 982	Dec. 19	Reports conversation with Signor Suvich who emphasized importance he attached to conversations he hoped Secretary of State would have with Signor Mussolini during his visit to Italy: Signor Suvich gave full account of his recent conversation with Herr Hitler regarding German disarmament <i>desiderata</i> , return of Saar territory and German attitude towards Austria: reform of League of Nations also discussed with Baron von Neurath and Herr von Bülow: Signor Suvich expressed view that everything possible should be done to preserve Austrian independence.	203
138	LORD TYRRELL Paris Tel. No. 119	Dec. 20	Reports information regarding Dr. Benes's visit to Paris: in particular he was gratified to find that French Government were absolutely firm in their opposition to any fundamental revision of Covenant: Dr. Benes stated that he was opposed to any direct German-Czech agreement on lines suggested by Herr Hitler: believes visit served spectacular purpose, especially with regard to Berlin, but doubts whether any definite engagements were entered into: Dr. Benes strongly urged to be helpful to Vienna and his response was favourable.	206
139	SIR E. PHIPPS Berlin Tel. No. 302	Dec. 20	Refers to No. 143 and summarizes text of German reply to French <i>aide-mémoire</i> on disarmament where it relates to special points at issue between France and Germany and to specific questions put to German Government in French Ambassador's <i>aide-mémoire</i> .	206

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
140 SIR E. PHIPPS Berlin No. 1280	Dec. 20	Transmits text of Note addressed to Herr Hitler in reply to his communication of December 11 (No. 132) regarding disarmament proposals.	208
141 SIR E. PHIPPS Berlin Tel. No. 303	Dec. 21	Reports information from French Ambassador that he has suggested to M. Paul-Boncour desirability of inserting in text of possible future convention with Germany clause stipulating that any violation thereof by one party established by supervisory commission, and not subsequently rectified by that party, shall be regarded as infraction of non-aggression pacts.	210
142 SIR E. PHIPPS Berlin Tel. No. 115 Saving	Dec. 21	Reports information from Italian Ambassador regarding Signor Suvich's conversations in Berlin: Herr Hitler anxious that conversations should take place between Dr. Dollfuss and Herr Habicht: Signor Suvich informed Germans that during his approaching visit to Vienna he would inform Dr. Dollfuss of German desire to resume conversations with Austria and if possible to arrive at some peaceful conclusion of Austro-German controversy.	211
143 SIR E. PHIPPS Berlin No. 1284	Dec. 21	Refers to No. 139 and transmits copy of <i>aide-mémoire</i> dated December 13 left with M.F.A. by French Ambassador on subject of disarmament and translation of German Government's reply of December 18.	211
144 Record of Conversation Paris	Dec. 22	Record of conversation at Quai d'Orsay on December 22 between Secretary of State, M. Chautemps and M. Paul-Boncour regarding French dossier on German rearmament, disarmament and League of Nations.	216
145 LORD TYRRELL Paris No. 1765	Dec. 27	Transmits copy of memorandum embodying substance of H.M.G.'s decision in regard to French dossier on German rearmament read to M. Massigli on December 23 and reports latter's comments concerning matter: French Government clearly disappointed with decision.	225
146 SIR E. PHIPPS Berlin Tel. No. 119 Saving	Dec. 28	Reports information from French Ambassador that Germans are getting annoyed at questions put to them by French Government and H.M.G.: refers to paragraph IV of their reply to French <i>aide-mémoire</i> in this connexion (see No. 143).	226
147 LORD TYRRELL Paris Tel. No. 325 Saving	Dec. 28	Transmits gist of French reply to German memorandum which it is proposed French Ambassador should take back with him to Berlin: equanimity of French Government upset by vigorous line adopted by M. Hymans who said his Government were opposed to such policy: interview with M. Paul-Boncour asked for, when it is proposed to urge him to hold his hand for the present.	227

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148	To LORD TYRRELL Paris Tel. No. 249	Dec. 30	Comments on impending French reply to German memorandum: apprehensive lest French tactics should play into German hands so far as considerable part of British public opinion is concerned.	227
149	LORD TYRRELL Paris Tel. No. 122	Dec. 31	Refers to No. 147 and reports conversation with M. Paul-Boncour regarding French Government's reply to German memorandum: M. Paul-Boncour gave details of reply which he stated would be couched in conciliatory terms and would not close the door to further conversations: considers that decision to take action at present stage is probably result in some measure of pressure exerted by Dr. Benes, but is mainly due to internal politics: French <i>aide-mémoire</i> likely to be handed to Herr Hitler on January 1.	228
150	LORD TYRRELL Paris Tel. No. 123	Dec. 31	Refers to No. 148 and reports M. Léger's comments in reply to urgent letter addressed to him strongly urging that contemplated action should be deferred until Herr Hitler's reply to communication addressed to him by H.M.G. received.	230
151	To SIR E. DRUMMOND Rome Tel. No. 1	1934 Jan. 1	Message for Secretary of State from Sir R. Vansittart referring to No. 147 and suggesting that he should intimate to French Government on his way back from Rome that raising at Geneva of question of German rearmament under Article 213 of Treaty of Versailles would be fraught with obvious dangers, particularly now, and particularly to Geneva.	231
152	LORD TYRRELL Paris Tel. No. 1	Jan. 1	Refers to No. 150 and reports that summary of French reply received from Ministry of Foreign Affairs adds nothing very material to account given in No. 149 except on one point, i.e. that in order to make gesture French Government declare their readiness to reduce French air force by 50 per cent. immediately after entry into force of convention.	231
153	SIR R. VANSITTART Foreign Office	Jan. 1	Minute recording conversation with French Ambassador when French reply to German memorandum, of which Ambassador read résumé, was discussed.	231
154	SIR E. PHIPPS Berlin Tel. No. 1	Jan. 2	Reports that French Ambassador handed French reply to Chancellor on January 1 in presence of Baron von Neurath: according to M. François-Poncet, opinion in Paris very set against any agreement based on German rearmament.	234
155	SIR E. DRUMMOND Rome Tel. No. 3	Jan. 2	Reports that when mention made to Baron Aloisi of possibility of French Government having recourse to Article 213 of Treaty of Versailles, he observed categorically that Italy would oppose any such proposal.	235

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156	LORD TYRRELL Paris Tel. No. 2	Jan. 2	Reports that reply of French Government to German memorandum of December 18 has full approval of press: comments on views held regarding matter.	235
157	TO SIR E. DRUMMOND Rome Tel. No. 4	Jan. 2	Message for Secretary of State from Sir R. Vansittart stating that he is convinced that only concrete proposals by H.M.G. in form of adjustments to British Draft Convention can offer any proper basis for settlement or for establishing responsibility for refusal to disarm as Germany's: every effort will be made to promote matter departmentally before Secretary of State's return.	236
158	TO SIR E. DRUMMOND Rome Tel. No. 9	Jan. 3	Message for Secretary of State from Sir R. Vansittart suggesting that if Signor Mussolini intends to present sudden cut-and-dried scheme on disarmament, proposal should be received with caution in view of scheme prepared in Foreign Office and now being considered by Chiefs of Staff: considers that anything which had appearance of joint Anglo-Italian proposal would be more suspect and unpalatable to French Government than purely British proposal.	236
159	SIR E. PHIPPS Berlin Tel. No. 1 Saving	Jan. 3	Reports comments of 'Völkischer Beobachter' on French reply to German memorandum and summarizes interview between Herr Rosenberg and special correspondent of 'Paris Midi' reproduced in above-mentioned paper.	237
160	LORD TYRRELL Paris No. 16	Jan. 3	Transmits copies of <i>aide-mémoire</i> on disarmament handed by French Ambassador in Berlin to Herr Hitler on January 1.	238
161	SIR J. SIMON Rome	Jan. 3	Record of conversation with Signor Mussolini on January 3 regarding disarmament question: views of Italian Government on question annexed.	243
162	MR. CAMPBELL Paris	Jan. 3	Letter to Mr. Leeper explaining how report in 'The Times' of January 3 that French reply to Herr Hitler had been deliberately expedited in order to avoid pressure by friendly Power with view to its amendment originated.	251
163	LORD TYRRELL Paris Tel. No. 3	Jan. 4	Reports conversation with M. Léger who gave French Government's reasons for not informing H.M.G. earlier regarding their reply to Herr Hitler's proposals: interview with Herr Hitler had gone off well and latter had repeated his ardent desire for settlement: summarizes M. Léger's argument in support of his belief that course indicated by French Government was one which had best chance of leading to settlement.	252
164	SIR J. SIMON Rome	Jan. 4	Record of conversation with Signor Mussolini, at which Signor Suvich was present, dealing with disarmament, constitution of League of Nations, Austria and Malta.	254

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NO. AND NAME	DATE	MAIN SUBJECT	PAGE
165 SIR E. PHIPPS Berlin Tel. No. 4	Jan. 6	Reports that Baron von Neurath is expected back in Berlin on January 7 and Herr Hitler on January 8: indicates impression at Ministry of Foreign Affairs regarding French Note, and reply to be made to British Note.	259
166 SIR E. PHIPPS Berlin Tel. No. 5	Jan. 8	Refers to No. 165 and reports conversation with Baron von Neurath who stated that he hoped to communicate German reply to H.M.G.'s note shortly and would supply copy of answer to French <i>aide-mémoire</i> at same time: certain questions would be asked of French Government, but conversations would continue: M.F.A. emphasized impossibility of any speedy issue of conversations owing to weakness of French Government.	260
167 LORD TYRRELL Paris No. 39	Jan. 8	Discusses French reactions to recent German-Polish <i>rapprochement</i> : considers French Government are endeavouring to improve relations with U.S.S.R. and suggests that they may endeavour to induce Soviet Government to enter some security arrangement within framework of League.	261
168 SIR E. PHIPPS Berlin Tel. No. 6 Saving	Jan. 9	Summarizes semi-official commentary on French <i>aide-mémoire</i> published in press on January 9.	263
169 To SIR E. DRUMMOND Rome Tel. No. 10	Jan. 10	Records conversation with Italian Chargé d'Affaires regarding Italian proposal for adjournment of disarmament meeting at Geneva: M. Vitetti informed that Mr. Norman Davis had already asked for adjournment until January 27 at earliest and it was believed that French had agreed.	264
170 SIR E. PHIPPS Berlin No. 37.	Jan. 10	Reports resignation of General von Hammerstein, Commander-in-Chief of Reichswehr, on December 27, and appointment of Lieut.-Gen. Freiherr von Fritsch in his place.	265
171 LORD TYRRELL Paris No. 52	Jan. 10	Reports information from M. Léger regarding circumstances in which French Government might demand application of Article 213 of Treaty of Versailles.	267
172 Record of Conversation London	Jan. 11	Record of conversation between Sir J. Simon and Mr. Henderson regarding disarmament, when Secretary of State explained present position of diplomatic negotiations now in progress: Mr. Henderson outlined his movements in immediate future and discussed date on which Bureau should meet.	268
173 To SIR E. PHIPPS Berlin Tel. No. 5	Jan. 12	Refers to No. 174: presumes that reply of German Government to H.M.G. and French Government will soon be received and hopes that its transmission will not be accompanied by any publicity incompatible with objects aimed at in telegram under reference.	272

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
174	To SIR E. DRUMMOND Rome Tel. No. 12	Jan. 12	Instructions to inform Signor Mussolini that H.M.G. favour continuance of friendly exchanges between Paris and Berlin regarding disarmament question: in meantime preferable that neither Italian Government nor H.M.G. should issue any pronouncement pending further developments.	272
175	To SIR E. DRUMMOND Rome Tel. No. 13	Jan. 12	States that Mr. Eden will go to Geneva on January 14 and hopes to meet Baron Aloisi there: Secretary of State proposes to arrive on January 17 or 18 and understands M. Paul-Boncour will be there at same time.	273
176	To LORD TYRRELL Paris Tel. No. 3 Saving	Jan. 12	Refers to No. 174 and earnestly hopes that if there is debate on foreign affairs in Chamber next week French Government will not adopt any attitude or make any pronouncement incompatible with object therein described.	273
177	SIR E. PHIPPS Berlin Tel. No. 9 Saving	Jan. 12	Reports information from French Ambassador that German Government are most anxious that last French <i>aide-mémoire</i> should not be published: French Government on other hand would like document published: believes that German Government are anxious regarding situation in general and that fears are still felt by them that French may after all decide to occupy left bank of Rhine.	273
178	To SIR R. LINDSAY Washington No. 51	Jan. 12	Records conversation with Mr. Atherton regarding present state of disarmament negotiations: Mr. Atherton informed of what had occurred during visits to Paris and Rome and that date of resumption of Bureau would be discussed by Mr. Henderson with officers of Bureau when he arrived in Geneva on January 17.	274
179	SIR E. PHIPPS Berlin Tel. No. 14	Jan. 13	Reports that State Secretary has informed French Ambassador that German reply likely to be communicated on January 16.	275
180	SIR E. DRUMMOND Rome Tel. No. 15	Jan. 14	Refers to No. 174 and reports conversation with Signor Suvich regarding question of an Italian public declaration concerning disarmament situation: Signor Suvich explained Italian views but stated that he would try and persuade Signor Mussolini to agree to give H.M.G. warning if and when he intended to make public statement.	275

# CHAPTER IV

German replies to the British and French Notes of December 20 and January 1: British Memorandum on Disarmament: the German-Polish Non-Aggression Pact: Austro-German relations (January 15-31, 1934)

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
181 MR. PATTESON Geneva Tel. No. 2 L.N.	Jan. 15	Message from Mr. Eden reporting conversation with M. Massigli regarding disarmament: M. Massigli feared that German reply to French <i>aide-mémoire</i> would probably consist in main of questions and, if so, enquired whether H.M.G. would wish to continue process of conversations through diplomatic channels or whether they considered some other step should be taken: M. Massigli also suggested that it would be useful if British and French experts were to seek to agree upon terms which would embody French proposals for a 50 per cent. reduction of air forces.	277
182 MR. PATTESON Geneva Tel. No. 4 L.N.	Jan. 15	Message from Mr. Eden reporting conversation with Baron Aloisi regarding the Saar, German reply to French memorandum on disarmament and Russo-German relations.	278
183 SIR E. DRUMMOND Rome Tel. No. 19	Jan. 16	Believes that Signor Mussolini intends to make some public pronouncement on disarmament situation on January 21 or shortly afterwards and summarizes conversation with Signor Suvich regarding matter: suggests that if such declaration would be considered harmful matter should be discussed with Baron Aloisi.	279
184 To SIR E. DRUMMOND Rome No. 59	Jan. 16	Records conversation with Italian Ambassador on his return from Italy: Signor Grandi spoke of his conversations with Signor Mussolini and stated that latter had confirmed his agreement with view that any reform of League of Nations should be regarded as secondary and subsequent to immediate question of disarmament and that his purpose was to strengthen and not to undermine League: Ambassador was informed that H.M.G. felt strongly that disarmament proposals should contain some active disarmament and mention was made of destruction of mobile guns above 155 mm. calibre in this connexion.	279
185 SIR E. DRUMMOND Rome Tel. No. 21	Jan. 17	Refers to No. 183 and reports conversation with French colleague who stated that Signor Suvich had assured him that Italian Government would not put forward any proposals until they were aware of H.M.G.'s reactions to points discussed with Signor Mussolini: French colleague	280

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NO. AND NAME	DATE	MAIN SUBJECT	PAGE
		greatly disturbed at possibility of public declaration by Signor Mussolini at present, since he feels it would be in favour of <i>status quo</i> for highly armed Powers and would involve considerable rearmament of Germany.	
186 SIR W. SELBY Vienna Tel. No. 6	Jan. 18	Reports interview with Political Director who stated that Note had been presented to German Government accusing them of direct accentuation of Nazi agitation in Austria and stating that unless effective steps taken forthwith to stop such agitation, Austrian Government would be compelled to appeal to League of Nations: if appeal to League made, Political Director thought question would come up under Article 11 of Covenant.	281
187 SIR E. PHIPPS Berlin Tel. No. 17	Jan. 18	Reports that replies to French and British Notes being held up by Chancellor who cannot make up his mind on final text: Herr Hitler worried by situation in Saar and fears possible effect on French Government of his reply which might adversely affect position in Germany.	282
188 SIR E. PHIPPS Berlin No. 71	Jan. 18	Refers to No. 170 and transmits copy of despatch from Military Attaché concerning German army and recent appointments.	282
189 SIR E. PHIPPS Berlin Tel. No. 23	Jan. 19	Refers to No. 190 and reports that French Ambassador, after receipt of German reply, shares Chancellor's pessimism: he pointed out to M. Massigli by telephone to Geneva that reply shows that complete difference continues to exist on two essential points, viz. effectives and weapons: Herr Hitler, in conversation on January 19, stated how pleased he would be to see British air force at least as strong as French in order to break 'French hegemony'.	285
190 SIR E. PHIPPS Berlin Tel. No. 21	Jan. 19	Reports conversation on January 19 regarding disarmament question with Herr Hitler who recapitulated arguments he had already used to show why he disbelieved in disarmament, and pointed to unwillingness of Russia and Japan to disarm and inability of present weak French Government to do so: he seemed concerned about M. Chautemps's speech in Senate on January 18 and described as 'insanity' holding of any further disarmament conference until autumn.	285
191 SIR E. PHIPPS Berlin Tel. No. 24	Jan. 19	Refers to No. 140 and transmits translation of German Government's reply to Note addressed to them on December 20 regarding disarmament proposals.	286
192 UNITED KINGDOM DELEGATE Geneva No. 21	Jan. 19	Transmits record of conversation between Secretary of State and Baron Aloisi on Saar and disarmament questions: Baron Aloisi suggested four-Power talks in Paris on disarmament.	288

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
193	SIR E. PHIPPS Berlin No. 82	Jan. 20	Transmits translation of memorandum communicated by Herr Hitler to French Ambassador at Berlin on January 19 in reply to French <i>aide-mémoire</i> of January 1 regarding disarmament proposals.	291
194	SIR W. SELBY Vienna Tel. No. 9	Jan. 20	Reports conversation with Signor Suvich who gave reason for his visit to Vienna and account of his impressions of situation in Austria: Signor Suvich stated that Signor Mussolini regarded maintenance of Austrian independence as vital for Italy and intended to go to uttermost limit of his capacity to defend it: Signor Suvich regarded present political system as out of date and said that it must be renovated and new basis found: with regard to economic situation he considered it should be met by providing Austria with assurances of kind she possessed before war.	298
195	SIR E. PHIPPS Berlin Tel. No. 15 Saving	Jan. 22	Considers that main trend of German foreign policy with reference to disarmament is firm intention to rearm and suggests two courses which are open to H.M.G. to pursue: discusses stability of Hitler régime.	299
196	TO MR. CAMPBELL Paris	Jan. 22	Letter from Mr. Sargent referring to No. 171 regarding circumstances in which French Government might demand application of Article 213 of Treaty of Versailles and summarizing views of H.M.G. regarding League of Nations and its functions.	300
197	TO SIR E. DRUMMOND Rome Tel. No. 32	Jan. 23	Refers to No. 194: instructions to clear up with Signor Suvich certain statement attributed to Sir R. Graham regarding Austrian independence: requests ascertain urgently what was meant by 'renovation of political system' and 'providing Austria with assurances possessed before war': also Italian Government should be reminded of financial help given to Austria by H.M.G.	301
198	MR. CAMPBELL Paris Tel. No. 21 Saving	Jan. 23	Reports comments of M. Léger on German Government's reply to French counter-proposals regarding disarmament.	302
199	MR. CAMPBELL Paris Tel. No. 23 Saving	Jan. 23	Refers to No. 198 and reports information from M. Léger regarding German Government's intention (1) to have 300,000 men with Colours by April 1, (2) to recruit new force, possibly disguised as police, on long-service basis, and (3) to create force of 'Grenzschutz' for their western frontier.	303
200	MR. CAMPBELL Paris Tel. No. 24 Saving	Jan. 23	Refers to No. 199: considers that in light of German reply French Government will be compelled to make some definite and final statement of their position, taking up thus an attitude from which it would be difficult for them to retreat: suggests that if H.M.G. have any intention of coming forward with fresh proposals appearing to offer some new approach to problem they should do so soon.	304

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
201	To SIR W. SELBY Vienna No. 32	Jan. 23	Records visit of Austrian Minister who communicated copy of <i>aide-mémoire</i> handed to German Government on January 17 by Austrian Minister in Berlin protesting against increased Nazi agitation in Austria (Appendix I): Herr Franckenstein, who also left résumé illustrating methods by which Nazi propaganda was being conducted in Austria (Appendix II), was (i) informed of German Ambassador's statement that German Government had no intention of violence against Austria or of breaking treaty obligations, (ii) assured that his Note of January 17 regarding economic assistance for Austria was being considered and that H.M.G. regarded independence and integrity of Austria as a principal objective of their policy in Europe.	304
202	SIR W. SELBY Vienna Tel. No. 12	Jan. 25	Reports information from Political Director that Italian Government did not feel disposed to make any fresh representations in Berlin: Political Director said he appreciated Italian attitude and that if problem went to Geneva he believed Italian Government would participate in discussion there: no answer had yet been received from Berlin but press message indicated that reply would be unsatisfactory, in which case Austrian Government would communicate with Secretary-General of League of Nations.	308
203	To SIR E. DRUMMOND Rome Tel. No. 34	Jan. 25	Refers to No. 183: reviews recent negotiations and states that H.M.G. may shortly find it necessary to publish their considered views on disarmament problem: instructions to inform Signor Mussolini and express hope that co-operation of Italian Government can be counted on: hopes Signor Mussolini will agree to incorporation in memorandum of his suggestion regarding Germany's return to League.	309
204	To SIR E. DRUMMOND Rome Tel. No. 35	Jan. 25	Refers to No. 203 and explains why it would suit H.M.G. if Italian Government did not publish any statement on disarmament at moment: while not discouraging Italians from doing so, nothing should be done to encourage them.	312
205	SIR E. DRUMMOND Rome Tel. No. 26	Jan. 25	Refers to No. 197 and reports Signor Suvich's explanation regarding statement attributed to Sir R. Graham and meaning of phrases referred to in telegram under reference: in reply to enquiry whether Italian Government would consider joint representation to Germany by Great Britain and France desirable, Signor Suvich said he did not think so, but he believed individual action by each Great Power would be beneficial: in event of sanctions being taken, Italy would not refuse to play her part.	312

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
206 FOREIGN OFFICE	Jan. 25	Memorandum setting forth in detail the views and proposals of H.M.G. on disarmament.	314
207 To SIR E. PHIPPS Berlin No. 100	Jan. 25	Refers to No. 191 and transmits copy of No. 206; no action to be taken until instructed.	324
208 To SIR E. DRUMMOND Rome Tel. No. 41	Jan. 26	Refers to No. 203 and explains why it is urgently necessary to receive reply of Italian Government: summarizes conversation with Signor Grandi who enquired whether H.M.G. intended to make public pronouncement: Ambassador told that H.M.G. would not publish anything until after Herr Hitler's speech on January 30 and hoped that Signor Mussolini would agree to do the same.	325
209 To MR. CAMPBELL Paris No. 154	Jan. 26	Transmits text of No. 206 and comments on proposals contained therein: hopes to be able to send instructions shortly to communicate memorandum to French Government.	326
210 To MR. CAMPBELL Paris No. 156	Jan. 26	Records observations made to French Ambassador in course of conversation on January 26 concerning memorandum containing views and proposals of H.M.G. regarding disarmament: French anxieties and <i>desiderata</i> taken into account: it was impressed on Ambassador that view of H.M.G. essentially was that a signed agreement was much to be preferred to unrestricted and uncontrolled rearmament in all quarters.	328
211 To SIR E. DRUMMOND Rome No. 87	Jan. 26	Refers to No. 208 and records more fully conversation with Signor Grandi regarding contemplated publication by H.M.G. and Italian Government of their views on disarmament.	329
212 To SIR E. PHIPPS Berlin	Jan. 26	Letter from Secretary of State referring to No. 206 and discussing question of whether memorandum on disarmament should be given to Herr Hitler privately in first instance and published some time later, or whether it should be published contemporaneously with its delivery to Herr Hitler.	330
213 To SIR E. DRUMMOND Rome Tel. No. 42 To MR. CAMPBELL Paris Tel. No. 29	Jan. 27	Refers to <i>aide-mémoire</i> handed to German Government by Austrian Minister in Berlin (see No. 201): discusses question of possible appeal by Austria to League of Nations and requests enquire concerning Italian (French) Government's general impression of the situation.	332
214 SIR E. PHIPPS Berlin Tel. No. 38	Jan. 27	Reports information regarding probable nature of Herr Hitler's forthcoming speech on January 30: unlikely that any sensational declaration will be made: speech likely to deal mainly with internal affairs, notably with reunification of Reich.	333

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215 SIR E. PHIPPS Berlin Tel. No. 39	Jan. 27	Refers to No. 212: expresses view that should it be decided to publish declaration before Herr Hitler's speech on January 30, he (Sir E. Phipps) should be instructed to communicate memorandum to Chancellor early on January 29, informing him then of proposed time of publication, which might be afternoon of January 29.	334
216 To SIR E. PHIPPS Berlin Tel. No. 24	Jan. 27	Refers to No. 207: instructions to ask for interview with Herr Hitler on afternoon of January 29: House of Commons to be informed about 4 p.m. on January 29 that H.M.G.'s views on disarmament question have been despatched to H.M. Ambassadors for communication to Governments chiefly concerned: publication of declaration not to be made until after January 30.	334
217 To SIR E. PHIPPS Berlin Tel. No. 25	Jan. 27	Refers to No. 207 and transmits certain amendments to be made to memorandum on disarmament.	335
218 SIR E. DRUMMOND Rome Tel. No. 27	Jan. 27	Refers to Nos. 203 and 208 and reports discussion with Signor Mussolini on disarmament questions raised therein: Signor Mussolini would prefer that reference to his initiative concerning Germany's resumption of her place in League should be omitted from British declaration and he agreed that nothing should be published until after January 30.	335
219 SIR E. PHIPPS Berlin No. 111	Jan. 27	Transmits text of declaration signed by M.F.A. and Polish Minister in Berlin on January 26 by which German and Polish Governments undertake to settle by direct agreement all questions of whatever sort that might arise between them: summarizes press comments on agreement.	337
220 MR. CAMPBELL Paris Tel. No. 14	Jan. 28	Reports objections of M. Léger to proposal to communicate to French Government H.M.G.'s memorandum on disarmament shortly before publication: comments on M. Léger's views and considers that course which H.M.G. propose to adopt is only hope, though slender one, of securing French acceptance.	339
221 MR. CAMPBELL Paris Tel. No. 13	Jan. 28	Refers to No. 213 regarding possible appeal to League of Nations by Austrian Government and reports French Government's views regarding matter: they do not fear strain which might be imposed on League of Nations and consider appeal by Austria in which she were supported by Powers would serve as salutary warning to Germany.	340
222 SIR E. DRUMMOND Rome Tel. No. 30	Jan. 28	Refers to No. 213 and reports views of Italian Government regarding situation in Austria: Italian Government would certainly support appeal to League of Nations if it were made by Austrian Government.	342

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
223	To SIR E. PHIPPS Berlin Tels. Nos. 27 and 28	Jan. 28	Refers to No. 216: instructions regarding communication of memorandum on disarmament to Herr Hitler.	343
224	To SIR E. DRUMMOND Rome Tel. No. 49	Jan. 28	Refers to No. 218: instructions to hand British memorandum on disarmament to Signor Mussolini at first available opportunity on January 29: publication to be made at any rate on February 1 but if Signor Mussolini decides that he would prefer that it was published before any Italian declaration, it might be desired to publish it on January 31.	346
225	To MR. CAMPBELL Paris Tels. Nos. 33 and 34	Jan. 28	Refers to No. 209: instructions regarding communication of memorandum on disarmament to Quai d'Orsay.	347
226	To MR. CAMPBELL Paris Tel. No. 36	Jan. 28	Refers to No. 225: expresses hope that Mr. Campbell will do everything in his power to prevent outburst of criticism in French press or on part of French political world when British memorandum published: most important that there should be no leakage before publication.	348
227	MR. CAMPBELL Paris Tel. No. 29 Saving	Jan. 28	Reports feeling of Ministry of Foreign Affairs towards conclusion of Polish-German Pact: while pleased that risk of Polish-German conflict diminished, they feel that signature of Pact is premature on account of encouragement it will give to Herr Hitler.	349
228	SIR E. PHIPPS Berlin Tel. No. 45	Jan. 29	Refers to No. 223 and reports that memorandum was handed to Herr Hitler at meeting on January 29: Baron von Neurath, who was present at interview, expressed hope that in view of French ministerial crisis H.M.G. would not publish White Paper with texts of all various documents exchanged.	349
229	SIR E. PHIPPS Berlin Tel. No. 46	Jan. 29	Refers to No. 228 and reports that he drew personal and particular attention of Chancellor to passage on equality of rights and to disarmament proposals which gave more to Germany than she had asked: hope was expressed that Germany would return to Geneva and League: Chancellor was friendly but uncommunicative: regarding Polish arrangement, he declared he would be willing to conclude similar one with France.	350
230	SIR E. DRUMMOND Rome Tel. No. 34	Jan. 29	Refers to No. 224 and reports that in absence of Signor Mussolini document was handed to Signor Suvich: latter stated, after hasty perusal of principal points, that plan was more favourable to Germany than Italian one: he feared an unhappy reception in Paris.	350

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
231	MR. CAMPBELL Paris Tel. No. 18	Jan. 29	Refers to No. 225 and reports that memorandum was handed to M. Léger whose personal reaction was even less favourable than anticipated: he undertook that memorandum would be kept strictly secret but urged that it should be published as soon as possible as he feared effect of intelligent anticipation by journalists.	351
232	TO SIR E. PHIPPS Berlin Tel. No. 35	Jan. 29	Refers to No. 228 and states that there is no intention at present on part of H.M.G. to publish White Paper with texts of all documents recently exchanged on disarmament: only publication contemplated at present is that of memorandum itself and that not till after January 30.	352
233	TO SIR W. ERSKINE Warsaw No. 44	Jan. 29	Records conversation with Polish Ambassador regarding Polish-German Non-Aggression Pact and British memorandum on disarmament: M. Skirmunt informed that substance of memorandum would shortly be communicated to Polish Government: copy was not handed to Ambassador but broad outline of H.M.G.'s views regarding security, equality and disarmament were indicated to him.	352
234	SIR E. DRUMMOND Rome	Jan. 29	Letter to Secretary of State informing him of slight resentment of Italian Government that their special treatment of H.M.G. in communicating Italian memorandum in full was not entirely reciprocated: British memorandum in full communicated to six Powers whereas Italian memorandum in full communicated only to H.M.G.	353
235	MR. CAMPBELL Paris Tel. No. 21	Jan. 30	Refers to No. 231: comments on M. Léger's reception of memorandum on disarmament and reports that he proposes to seek interview with M. Daladier at earliest moment in order to repeat to him personally representations made to M. Léger: submits impressions of how matter will be viewed in France.	354
236	SIR E. PHIPPS Berlin Tel. No. 48	Jan. 30	Summarizes principal points of Herr Hitler's speech in Reichstag on January 30.	355
237	SIR W. ERSKINE Warsaw No. 49	Jan. 30	Reports conversation with M.F.A. regarding Polish-German declaration recently signed in Berlin: report that Polish Government had signed secret agreement or clause under which they took to dissociate themselves entirely from question of 'Anschluss' with Austria firmly denied by M. Beck: signature of declaration greeted with satisfaction by press and public.	357
238	TO SIR E. DRUMMOND Rome	Jan. 30	Letter from Sir R. Vansittart referring to No. 222 and transmitting information from Italian Counsellor explaining why Italian Government were not in favour of Austria's appealing to League and indicating action	360

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		which they would favour in support of Austrian independence: requests any further elucidation of Italian policy which it may be possible to furnish.	
239 SIR E. DRUMMOND Rome Tel. No. 38	Jan. 31	Reports that Italian statement on disarmament is to be published in afternoon of January 31: statement corresponds in substance with Italian memorandum discussed with Secretary of State by Signor Mussolini (see No. 161).	361
240 SIR E. PHIPPS Berlin Tel. No. 51	Jan. 31	Reports conversation with General von Blomberg who expressed warm appreciation of German Government for British memorandum on disarmament and spirit that inspired it: Germany could, however, never agree to remaining disarmed in air for two years and still less could she return to League of Nations without equality of rights in that respect.	361
241 SIR E. PHIPPS Berlin No. 127	Jan. 31	Refers to No. 195 and discusses present position in Germany and future trend of German foreign policy.	362

## CHAPTER V

French and German comments on the British Memorandum on Disarmament: correspondence regarding the situation in Austria: Anglo-Franco-Italian declaration of February 17, 1934, with regard to Austrian independence: Mr. Eden's visits to Paris, Berlin and Rome (February 1-March 6, 1934)

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
242 SIR E. PHIPPS Berlin Tel. No. 53	Feb. 1	Refers to No. 240 and reports conversation with M.F.A. who repeated same objections to British memorandum as General von Blomberg and in addition declared that Germany would never return to League until after its Statutes had been modified: he admitted, however, that memorandum was great step forward.	367
243 MR. CAMPBELL Paris Tel. No. 35 Saving	Feb. 1	Reports information from Ministry of Foreign Affairs that, in view of publication of British and Italian disarmament proposals, French memorandum handed to German Chancellor on January 1 was to be published in press of February 2.	368
244 SIR E. PHIPPS Berlin	Feb. 1	Letter to Mr. Sargent describing reactions of Herr von Bülow, Herr Dieckhoff and Herr Frohwein to British memorandum on disarmament, as communicated by distinguished German in confidential conversation on January 31.	368



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245	MR. CAMPBELL Paris Tel. No. 25	Feb. 2	Reports conversation with M. Daladier regarding H.M.G.'s disarmament proposals: chief of M. Daladier's few observations were directed to (1) para-military formations, and (2) control.	369
246	SIR W. SELBY Vienna Tel. No. 21	Feb. 2	Reports that in communiqué issued on night of February 1, it was stated that German reply to Austrian Note (see No. 201) was considered unsatisfactory and that Cabinet had accordingly unanimously decided to 'take further steps forced upon them by circumstances'.	371
247	SIR E. PHIPPS Berlin Tel. No. 56	Feb. 2	Believes that Prince Bismarck has told Chancellor that very influential section of British public opinion strongly favours non-interference in European affairs whatever upshot of disarmament negotiations may be.	371
248	TO SIR E. DRUMMOND Rome Tel. No. 52	Feb. 2	Refers to No. 234 and explains action taken regarding communication of H.M.G.'s proposals to various Powers: states that Mr. Eden may be sent to Paris, Rome and Berlin to give explanations and to ascertain extent of agreement and where real difficulties lie: his mission would be to enquire and report: requests views on proposed action.	372
249	TO SIR E. PHIPPS Berlin Tel. No. 38	Feb. 2	States that as soon as debate in House of Commons on disarmament has taken place, Mr. Eden may be sent to Paris, Rome and Berlin to enquire and report regarding disarmament proposals and requests views on proposed action: informs of indirect hint that visit from Secretary of State to Herr Hitler would be welcome but considers time not yet ripe for such meeting.	372
250	TO MR. CAMPBELL Paris Tel. No. 14 Saving	Feb. 2	States that as soon as debate on disarmament in House of Commons over, Mr. Eden may be sent to Paris, Rome and Berlin and requests views on proposed action: enquires whether it would be of advantage to inform M. Daladier on February 6 of Mr. Eden's proposed visit and its purpose.	373
251	MR. CAMPBELL Paris Tel. No. 36 Saving	Feb. 2	Refers to No. 245 and reports information from M. Daladier that German plans were now complete for splitting various units composing Reichswehr into three, the two-thirds shortage in each unit to be made good by men already trained in S.S. and S.A.: process would be complete by end of April when Germany would have 28 divisions as against 20 divisions in French metropolitan army.	374
252	TO MR. CAMPBELL Paris Tel. No. 38	Feb. 3	Message from Sir R. Vansittart: agrees with observations made to M. Daladier in No. 245: instructions to do what is possible to persuade French Government not to take lead in rejecting British proposals.	374

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
253	To SIR E. PHIPPS Berlin No. 144	Feb. 3	Records conversation of German Ambassador with Sir R. Vansittart regarding Polish-German Agreement: Herr von Hoesch in announcing official conclusion of agreement said that French security should now be amply satisfied.	375
254	SIR E. DRUMMOND Rome	Feb. 3	Letter to Sir R. Vansittart referring to No. 238 and discussing Italian point of view in regard to Austria: four reasons why Italy not in favour of appeal to League: concludes that Italians have not worked out any effective policy.	376
255	To MR. CAMPBELL Paris	Feb. 5	Letter from Sir R. Vansittart enclosing copy of No. 244: urges Mr. Campbell to do everything possible to prevent French and especially M. Léger from taking lead in rejecting proposals: important that public opinion should realize that it is the Germans who are danger to peace.	377
256	MR. CAMPBELL Paris	Feb. 5	Letter to Mr. Sargent: acknowledges No. 196 and discusses French idea of appealing to Article 213 of Treaty of Versailles: considers possibility of appeal somewhat more remote than a month ago.	378
257	SIR E. PHIPPS Berlin Tel. No. 28 Saving	Feb. 7	Refers to Nos. 199 and 251 and reports Military Attaché's comments on information received from M. Léger and M. Daladier regarding Reichswehr.	380
258	SIR E. PHIPPS Berlin No. 146	Feb. 7	Reviews internal situation in Germany with special reference to existence of widespread but unorganized opposition in cultural circles, attitude of the masses and stimulants to which Government have had recourse, such as scheme for recreation for working classes, and new charter for German labour: only outstanding success of régime has been in domain of foreign affairs.	381
259	SIR E. PHIPPS Berlin No. 151	Feb. 7	Transmits translation of German Government's reply of January 31 to Austrian note of protest of January 17.	386
260	SIR R. LINDSAY Washington Tel. No. 59	Feb. 8	Reports that H.M.G.'s disarmament memorandum was discussed on February 7 at informal meeting in State Department at which Mr. Norman Davis was present: in general view taken was favourable: press comment still very meagre.	390
261	To SIR W. SELBY Vienna No. 57	Feb. 8	Records conversation with Austrian Minister regarding his Government's proposal to refer their dispute with Germany to League of Nations: dossier constituting case communicated by Herr Franckenstein together with letter referring to Italy's suggestion that three Great Powers should be given opportunity to consult among themselves regarding attitude to be adopted: Ambassador informed of reasons why H.M.G. were not in favour of three Powers studying dossier in advance.	390

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262	SIR E. PHIPPS Berlin	Feb. 8	Letter to Secretary of State reporting conversation with Herr von Ribbentrop regarding H.M.G.'s disarmament proposals: Herr von Ribbentrop said aviation proposals were totally unacceptable to Germany: comments on personality of Herr von Ribbentrop.	391
263	SIR E. DRUMMOND Rome Tel. No. 48	Feb. 9	Reports conversation with Signor Suvich who stated that Italian Government did not consider an appeal by Austria to League of Nations to be desirable at present, although if it were made Italy would give it her fullest support: he then discussed possible alternatives and stated that Italy strongly favoured separate declarations by three Powers: transmits gist of proposed Italian declaration.	393
264	FOREIGN OFFICE	Feb. 9	Memorandum on possibility of French demand for an investigation into state of German rearmament under Article 213 of Treaty of Versailles.	395
265	TO SIR W. SELBY Vienna No. 58	Feb. 9	Refers to No. 261 regarding Austria's suggested appeal to League of Nations: records conversation with Austrian Minister who was informed of reasons why H.M.G. considered that proper course was not to pronounce views on Austrian material in advance of its consideration by Council and transmits text of Note handed to Herr Franckenstein to this effect: views of H.M.G. had been communicated to France and Italy whose suggestions would of course be considered.	398
266	SIR E. DRUMMOND Rome Tel. No. 51	Feb. 10	Refers to No. 263 and reports conversation with Signor Suvich who stated that he was proceeding with final drafting of Italian declaration: requests instructions on points raised in telegram under reference: Signor Suvich again emphasized importance he attached to blanket declaration of support for Herr Dollfuss and urged that no publication of H.M.G.'s reply to Austrian Government should take place till full exchange of views had materialized.	400
267	SIR E. DRUMMOND Rome Tel. No. 53	Feb. 12	Refers to No. 266 and transmits translation of Italian declaration.	400
268	SIR E. DRUMMOND Rome Tel. No. 55	Feb. 12	Reports that Italian Government intend to present declaration as reply to Austrian request and that they would publish it: they trust that H.M.G. and French Government would find it possible to make analogous declarations and would like all three to be published simultaneously.	402
269	TO SIR E. DRUMMOND Rome Tel. No. 59	Feb. 12	Refers to Nos. 263, 266, 267 and 268 and summarizes views of H.M.G. regarding Austrian Government's wish to bring their complaint against Germany before League:	402

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		convinced that no further declaration by H.M.G. would add weight to what has already been said in Parliament and in communication to Austrian Minister.	
270 To SIR E. DRUMMOND Rome Tel. No. 60	Feb. 12	Trusts that Italian Government realize that if Dr. Dollfuss establishes Fascist or quasi-Fascist régime in Austria there is bound to be in Great Britain and probably in France very marked cooling in unanimity of support hitherto given to Austria by press and public opinion and further attempts by H.M.G. to assist Dr. Dollfuss may be rendered increasingly difficult.	403
271 Record of Conversation London	Feb. 12	Record of conversation between Sir J. Simon and M. Avenol at House of Commons on February 12 regarding future procedure of Disarmament Conference.	404
272 SIR E. PHIPPS Berlin Tel. No. 65	Feb. 13	Refers to proposed visit of Mr. Eden to Berlin: M.F.A. welcomes visit but considers that Mr. Eden should be in full possession of French views before coming to Berlin: Baron von Neurath referred to recent visits to London of Herr von Ribbentrop and said that although he knew Chancellor he was not charged with any kind of mission on behalf of German Government.	407
273 SIR E. DRUMMOND Rome Tel. No. 60	Feb. 13	Refers to No. 269 and reports conversation with Signor Suvich who was much disappointed at H.M.G.'s attitude and maintained that the three Governments were perfectly entitled to express their views on Austrian dossier: H.M.G.'s views explained to Signor Suvich and discussion then followed on results likely to ensue if and when matter brought before League: Signor Suvich stated that he could not share H.M.G.'s view that proposed declaration would not facilitate ultimate proceedings at Geneva if they proved necessary.	408
274 LORD TYRRELL Paris Tel. No. 50	Feb. 13	Refers to No. 269 and reports that he has acquainted Ministry of Foreign Affairs with views of H.M.G. regarding proposed Italian declaration: informs of action suggested by French Government who wish to urge H.M.G. to join with them in pressing Italian Government not to publish their own declaration but to agree to issue of joint communiqué: French reply to Austrian Minister in Paris follows same lines as that of H.M.G. Note 2. Text of French reply to Austrian Government.	410
275 SIR W. SELBY Vienna Tel. No. 38	Feb. 13	Reports interview with Dr. Dollfuss who, in referring to struggle with Socialists which had just broken out, stated that he was satisfied of ability of Government to restore order: although question of appeal	411

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		to League in regard to German action in Austria had receded for moment, he had not abandoned his intention in this respect: transmits comments of French Minister on situation.	
276 To SIR E. DRUMMOND Rome	Feb. 13	Letter from Sir R. Vansittart acknowledging No. 254 regarding Austrian question: discusses difficulties of co-operating with Italians regarding matter and suspects that they may have decided moment has come for them to bring about change of régime in Austria before League can take up Austrian appeal.	412
277 To LORD TYRRELL Paris No. 262	Feb. 14	Records conversation with French Ambassador who communicated text of draft declaration which French Government would wish to be issued as joint declaration of Italy, France and Great Britain: M. Corbin informed that matter seemed to need a little consideration in view of changed situation in Austria but reply would be sent to him as soon as possible.	414
278 FRENCH AMBASSADOR London	Feb. 14	Text of <i>aide-mémoire</i> communicated by French Government to German Government on February 14 regarding disarmament.	415
279 SIR W. SELBY Vienna Tel. No. 42	Feb. 15	Transmits message for War Office from Military Attaché reporting that disturbances in Austria now practically at an end and that army and Heimwehr in control of situation: considers possibility cannot be excluded that army may join forces with Nazis.	419
280 To LORD TYRRELL Paris Tel. No. 53 To SIR E. DRUMMOND Rome Tel. No. 69	Feb. 15	Refers to No. 274 and transmits some considerations about proposed joint communiqué which H.M.G. consider must be weighed by three Governments before it could be issued jointly in present form: instructions to put matter to M.F.A. and explain that H.M.G. are anxious to co-operate on lines which do not conflict with essential considerations outlined and declaration already made by H.M.G.	419
281 To SIR W. SELBY Vienna Tel. No. 19	Feb. 16	Refers to No. 279 and enquires whether view expressed by Military Attaché that considerable danger exists of Austrian army joining Nazis can be endorsed.	420
282 LORD TYRRELL Paris Tel. No. 52	Feb. 16	Refers to No. 280 and reports result of discussion with Ministry of Foreign Affairs regarding formula: they agreed to omit words 'la volonté' if in that event H.M.G. would join in proposed communiqué.	421
283 SIR E. DRUMMOND Rome Tel. No. 67	Feb. 16	Refers to No. 280 and reports reactions of Signor Suvich to considerations put to him: meaning of words 'la volonté' discussed: Signor Suvich expressed view that perhaps best course would be for Italian Government to publish their Note to Austria.	421

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284 SIR E. DRUMMOND Rome Tel. No. 68	Feb. 16	Refers to No. 283 and reports further conversation with Signor Suvich regarding issue of joint communiqué: transmits text of new formula which, if acceptable to H.M.G., Italian Foreign Office and French Ambassador anxious should be published on February 17.	423
285 SIR E. PHIPPS Berlin Tel. No. 72	Feb. 16	Reports information that Chancellor wanted to reply immediately to last French Note but was persuaded not to do so pending Mr. Eden's arrival: Chancellor now said to be convinced that convention would only be of value in that it would legalize German rearmament: he thinks nothing can be gained by further notes or conference: informant admitted Germans objected to British air proposals as control would reveal German air rearmament.	424
286 SIR W. SELBY Vienna Tel. No. 45	Feb. 16	Refers to No. 281 and reports that Military Attaché's views indicate conclusions reached by numerous observers in Austria: comments on situation and suggests that H.M.G. should try to reach with France and Italy agreement on common action in regard to Austria and then endeavour to secure collaboration of Germany for settlement of dispute.	424
287 LORD TYRRELL Paris Tel. No. 55	Feb. 17	Message from Mr. Eden reporting conversation with M. Massigli regarding disarmament: M. Massigli, although pessimistic concerning outlook, appeared to think that there might yet be chance of agreement if his (Mr. Eden's) visit to Berlin resulted in firm offer from Germany on basis of British memorandum.	425
288 To SIR E. DRUMMOND Rome Tel. No. 70	Feb. 17	Refers to No. 284: considers latest formula is an improvement and transmits amended text which H.M.G. are prepared to agree to: if it is possible to get French and Italian approval in time communiqué could be issued to press that day.	425
289 To LORD TYRRELL Paris Tel. No. 55	Feb. 17	Refers to No. 288: instructions to inform French Government of proposal now made to Italian Government and ask them whether they agree to text and time of publication.	426
290 SIR E. DRUMMOND Rome Tel. No. 70	Feb. 17	Refers to No. 288 and reports that, subject to slight alteration, text has been accepted by Italian Government and by French Ambassador on behalf of his Government.	427
291 LORD TYRRELL Paris Tel. No. 58	Feb. 17	Message from Mr. Eden summarizing conversation with M. Doumergue and M. Barthou on February 17 regarding British memorandum on disarmament: attitude of M. Barthou critical, especially of security provisions: M. Doumergue concerned over para-military training.	427

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
<b>292</b> LORD TYRRELL Paris Tel. No. 55 Saving	Feb. 17	Reports conversation with M. Léger who expressed anxiety about Austrian situation: he feared that Dr. Dollfuss might now delay appeal to League and if this proved to be so, he hoped that H.M.G. would do what they could to hasten matter: appeal to League he considered would tend to check intervention by Austria's neighbours.	428
<b>293</b> SIR W. SELBY Vienna No. 37	Feb. 17	Describes rise of Heimwehr since 1919 and their struggle against Socialists culminating in recent fighting in Austria: discusses Italy's policy in Austria.	429
<b>294</b> SIR E. PHIPPS Berlin Tel. No. 74	Feb. 18	Reports information from French Ambassador that Herr Hitler had told him that Dr. Dollfuss had behaved with criminal stupidity in firing on Socialist workmen and women and children and that he would very soon fall and be replaced by National Socialist Government.	433
<b>295</b> SIR E. PHIPPS Berlin Tel. No. 73	Feb. 18	Reports information from French Ambassador regarding his conversation with Herr Hitler concerning disarmament question when latter gave his views in regard to control of S.A. and S.S., Locarno and Pacts: he suggested that French statesman should go to Berlin and discuss disarmament with him: Chancellor assured M. François-Poncet that he did not wish France to disarm as there was grave Bolshevik danger and more distant danger from Japan.	433
<b>296</b> SIR W. SELBY Vienna Tel. No. 48	Feb. 18	Reports information from Political Director that probability was that Austrian Government would wait to see effect on Germany of joint Anglo-Franco-Italian declaration before appealing to League.	435
<b>297</b> LORD TYRRELL Paris No. 292	Feb. 18	Transmits record of conversation between French Ministers and Mr. Eden on February 17 regarding disarmament already summarized in No. 291.	435
<b>298</b> SIR R. LINDSAY Washington Tel. No. 70	Feb. 19	Reports that he has received from U.S. Under-Secretary of State memorandum on disarmament in reply to latest proposals of H.M.G.: Under-Secretary of State said that his Government had great sympathy with views propounded in British memorandum, far more so than with those of Italian scheme: Mr. Norman Davis leaving for Europe shortly and would be available later if required for further discussions.	442
<b>299</b> SIR R. LINDSAY Washington Tel. No. 71	Feb. 19	Refers to No. 298 and transmits text of U.S. Government's memorandum.	443
<b>300</b> SIR W. SELBY Vienna No. 40	Feb. 19	Refers to No. 293: discusses repercussions and probable results likely to follow Socialist revolt and chances of Dr. Dollfuss being able to maintain himself against Nazi pressure.	444

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
301 SIR E. PHIPPS Berlin No. 198	Feb. 20	Summarizes official communiqué issued on February 20 stating that Reichswehr and German Navy were in future to wear Nazi party badge on their uniforms: comments on measure.	447
302 SIR E. PHIPPS Berlin Tel. No. 77	Feb. 21	Message from Mr. Eden summarizing his conversations on February 20 with Baron von Neurath and Herr Hitler when latter explained his attitude towards certain points in British disarmament proposals: summing up Herr Hitler said he doubted whether a convention was possible but he was prepared to accept British memorandum as basis and to do his utmost to meet views of H.M.G.	448
303 SIR E. PHIPPS Berlin Tel. No. 78	Feb. 21	Message from Mr. Eden reporting further conversation with Herr Hitler who put forward counter-proposals which, if accepted, would enable Chancellor to agree to British memorandum: suggestion made by Herr Hitler that proposals regarding S.A., S.S. and police should appear to emanate from H.M.G.	450
304 SIR E. PHIPPS Berlin No. 200	Feb. 21	Refers to No. 302 and transmits record of conversations at Ministry for Foreign Affairs between Mr. Eden and Baron von Neurath, Herr von Bülow and General von Blomberg at 11.30 on February 20 and between Mr. Eden and Herr Hitler at 4.30 p.m. on that day already summarized in No. 302.	452
305 SIR E. PHIPPS Berlin No. 203	Feb. 22	Refers to No. 304 and transmits record of conversation between Mr. Eden and Herr Hitler held at British Embassy on February 21 already summarized in No. 303.	462
306 SIR E. PHIPPS Berlin No. 205	Feb. 22	Refers to No. 305 and transmits record of conversation held at Ministry for Foreign Affairs between Mr. Eden and Baron von Neurath on February 22 regarding disarmament.	468
307 SIR E. PHIPPS Berlin Tel. No. 82	Feb. 23	Reports that at request of Baron von Neurath Mr. Eden received members of German press on February 22: summarizes his remarks and shows how he was misquoted in 'Deutsche Allgemeine Zeitung': short official communiqué being issued contradicting report.	470
308 To SIR E. PHIPPS Berlin Tel. No. 51	Feb. 23	Refers to No. 303 and states that H.M.G. could not possibly put forward and sponsor proposals contained therein: considers that Chancellor should either make his proposals openly and officially, or that H.M.G. should be free to communicate them to Italian and French Governments as coming not from H.M.G. but from German Government.	470



NO. AND NAME	DATE	MAIN SUBJECT	PAGE
309 To SIR E. PHIPPS Berlin Tel. No. 52	Feb. 23	Message from Sir R. Vansittart: refers to No. 308 and points to misleading German propaganda which provides another reason why frankness with Italian and French Governments cannot be avoided unless German Government will itself take lead in that direction.	471
310 To SIR E. PHIPPS Berlin Tel. No. 53	Feb. 23	Refers to No. 309 and transmits message from Sir R. Vansittart pointing out that in any consideration of German claim to possess military air force at once, sixth sentence of paragraph 15 of British memorandum on disarmament of January 29 should be borne in mind.	472
311 To SIR E. PHIPPS Berlin Tel. No. 54	Feb. 23	Refers to No. 308: message from Sir R. Vansittart quoting statistics for various countries bearing on Germany's claim for military aircraft.	472
312 SIR E. PHIPPS Berlin Tel. No. 83	Feb. 23	Refers to No. 308 and reports that M.F.A. agrees to all proposals being communicated to Governments concerned by Mr. Eden as coming from German Government.	473
313 FOREIGN OFFICE	Feb. 23	Memorandum on present state of Illegal German Air Force.	473
314 SIR E. PHIPPS Berlin Tel. No. 84	Feb. 24	Refers to No. 310 and reports that sentence in question was borne in mind by Mr. Eden throughout his discussion: comments on numbers of defensive aircraft already possessed by Germans and their claim in respect of bombers.	480
315 SIR E. PHIPPS Berlin Tel. No. 85	Feb. 24	Refers to No. 311 and reports German demands in respect of defensive military aircraft.	480
316 SIR E. DRUMMOND Rome Tel. No. 76	Feb. 24	Refers to Nos. 308 and 312: transmits message from Mr. Eden commenting on Herr Hitler's proposals which he will communicate to Signor Mussolini on February 26 and to French Government on his arrival in Paris.	481
317 SIR E. DRUMMOND Rome Tel. No. 77	Feb. 24	Refers to No. 309: transmits message from Mr. Eden suggesting method of meeting in London German propaganda that France would not disarm.	482
318 SIR E. PHIPPS Berlin Tel. No. 44 Saving	Feb. 24	Refers to No. 309 and comments on attitude of foreign press correspondents: French correspondents openly bewail inertia of French Government and admit German claim to equality in principle.	482
319 To SIR E. DRUMMOND Rome Tel. No. 77	Feb. 26	Message for Mr. Eden informing him that telegrams received since No. 303 have cleared up any misunderstanding and that proposed course of action stated in No. 316 entirely approved: suggests line of argument regarding air proposals.	483
320 SIR E. DRUMMOND Rome Tel. No. 82	Feb. 27	Message from Mr. Eden acknowledging No. 319 and summarizing his conversation with Signor Mussolini on February 26.	484

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
321 SIR W. SELBY Vienna Tel. No. 57	Feb. 27	Reports information from Dr. Dollfuss that question of Austro-Hungarian-Italian meeting in Rome had been discussed in course of Signor Suvich's visit: Chancellor not opposed to meeting but was disinclined to take decision until he knew whether appeal to League would be necessary: on question of appeal, Dr. Dollfuss was awaiting confirmation of report that Herr Hitler had dismissed Herr Habicht.	485
322 SIR E. DRUMMOND Rome No. 186	Feb. 28	Refers to No. 320 and transmits copy of record of conversation between Mr. Eden and Signor Mussolini on February 26 at Palazzo Venezia regarding disarmament.	486
323 LORD TYRRELL Paris Tel. No. 61	Mar. 1	Message from Mr. Eden summarizing his conversation with M. Doumergue and M. Barthou on March 1 regarding disarmament: considers that not only have French Government been unable to study disarmament question, but that they are in very hesitant frame of mind.	491
324 Record of Meeting Paris	Mar. 1	Record of meeting held in Paris on March 1 between M. Doumergue, M. Barthou and Mr. Eden regarding disarmament: text of communiqué issued to press at close of meeting.	493
325 To SIR E. PHIPPS Berlin Tel. No. 57	Mar. 2	Requests further information regarding numbers of military aircraft for which Germany asks.	501
326 SIR E. DRUMMOND Rome No. 197	Mar. 2	Transmits two memoranda by Military Attaché on subject of Italian military arrangements: discusses possibility of Italian armed intervention in Austria either unilaterally or in response to decision by League Council for collective military action: considers that Italian Government would not shrink from strong action if they felt it was demanded by necessities of situation, though they would probably wish to consult H.M.G. if time allowed.	502
327 SIR P. RAMSAY Budapest No. 53	Mar. 3	Reports at length on views of Hungarian Government and state of public opinion with regard to policy of Italy in respect of Hungary and Austria.	505
328 SIR J. ADDISON Prague No. 43	Mar. 3	Submits report on state of public and governmental opinion on situation now developing in regard to Austria and policy which Italy is pursuing with reference to Austrian problem.	514
329 LORD TYRRELL Paris Tel. No. 73 Saving	Mar. 5	Transmits appreciation of present position in France regarding disarmament.	518
330 To SIR R. LINDSAY Washington No. 205	Mar. 5	Records conversation with U.S. Ambassador who referred to demand for parity which Japan might be expected to make at approaching Naval Conference and advocated policy of Anglo-American co-operation in promoting peace of world.	519

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331	SIR N. HENDERSON Belgrade No. 50	Mar. 5	Reports views of Yugoslav Government and state of public feeling generally in regard to Italian activities in Austria and Hungary.	521
332	SIR W. SELBY Vienna No. 50	Mar. 5	Discusses Austrian situation with reference to proposed reform of Constitution on Fascist lines, financial position and question of Hapsburg restoration: learns that Chancellor feels privately that he can count on practical help and support only from Rome and that until help can reach him from other quarters he is forced to do as Italy bids.	524
333	TO LORD TYRRELL Paris Tel. No. 62	Mar. 6	Instructions to inform French Government of reply of Secretary of State to question asked in House of Commons regarding Mr. Eden's visits to Paris, Rome and Berlin and to ask that French Government's views on British memorandum and modifications put forward by Herr Hitler be communicated as soon as possible: outlines views of H.M.G. on latter point for information of French Government if necessary.	529

## CHAPTER VI

Further exchanges regarding the German demands for rearmament: publication of the German defence estimates for 1934-5: British enquiry about the reasons for the increases in the German estimates: German reply to the enquiry: French refusal to accept a disarmament convention legalizing German rearmament (March 7-April 30, 1934)

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
334	SIR G. CLERK Brussels Tel. No. 8	Mar. 7	Reports declaration made by Belgian Prime Minister in Senate on March 6 in which he emphasized impossibility of preventing Germany from rearming: he stressed necessity for avoiding arms race and appealed to country to support Government in their efforts to secure an agreement which was essential for Belgian security.	531
335	SIR E. PHIPPS Berlin Tel. No. 54 Saving	Mar. 7	Reports conversations with Dr. Schmitt, Minister of Economic Affairs, and Herr Röhm: Dr. Schmitt seemed depressed and anxious about economic situation and complained that Chancellor was too pre-occupied over foreign affairs to devote sufficient time to serious internal matters that confronted him: Herr Röhm laid stress on impossibility of dissolving his S.A. and S.S. if only for economic reasons: he would welcome permanent attachment of foreign officers to those bodies to control their non-military character.	532

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
336	To SIR G. CLERK Brussels Tel. No. 26	Mar. 8	Refers to No. 334: instructions to inform Belgian Government of views of H.M.G. on disarmament question and to endeavour to secure Belgian Government's acceptance of British memorandum as basis of a disarmament convention.	532
337	LORD TYRRELL Paris Tel. No. 75 Saving	Mar. 8	Refers to No. 333 and reports conversation with M. Doumergue who explained delay in communicating French reply: considers that more French are hustled less satisfactory may be their answer: M. Doumergue seemed to be chiefly troubled by departure of Germany from League and other cause for anxiety was question of effectives.	533
338	MR. EDEN Foreign Office	Mar. 8	Records conversation with French Ambassador who expressed regret that it had not yet been possible for French Government to return answer to British disarmament memorandum: in reply to enquiry as to way in which mind of French Government was working, he said that French Government had two chief preoccupations, (1) in respect of German air demands, (2) in regard to S.A. and S.S.	535
339	To SIR E. PHIPPS Berlin No. 289	Mar. 8	Records conversation with German Ambassador who was informed, in reply to enquiry, that French Government had not yet expressed their views on British disarmament memorandum: Ambassador was told of disappointment of H.M.G. regarding German demand for large immediate air force and with Chancellor's attitude regarding Germany's return to League of Nations.	536
340	MR. EDEN Foreign Office	Mar. 9	Records conversation with German Ambassador who stated that M. Barthou had seen German Ambassador in Paris and had spoken to him of British memorandum: German Government had impression that French Government intended in their reply to throw cloak over their own hostility to memorandum by blaming German Government: Ambassador informed of view of H.M.G. that there should be no further exchange of Notes until French Government had replied to British memorandum.	537
341	MR. EDEN Foreign Office	Mar. 10	Records conversation with Prince von Bismarck regarding question of German reply to French Note: Prince von Bismarck stated that reply could not be much longer delayed.	538
342	SIR G. CLERK Brussels No. 144	Mar. 10	Refers to No. 336 and reports conversation with M. Hymans regarding British disarmament memorandum: M. Hymans explained why Belgian Prime Minister had	539

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		made his speech on March 6 and indicated that Belgian Government would not be sending their reply to British memorandum until after French Government had communicated their views.	
343 SIR W. SELBY Vienna Tel. No. 64	Mar. 11	Reports information from French Minister that his Government were actively supporting Italian Government in latter's efforts to find solution of Central European problem and in view of certain assurances from Italian Government, French Government were bringing strong pressure to bear on Governments of Little Entente with view to securing their collaboration.	542
344 To SIR E. DRUMMOND Rome Tel. No. 87	Mar. 12	Records Italian Chargé d'Affaires's explanation of Italian Government's Austrian policy in view of forthcoming meetings in Rome with General Gömbös and Dr. Dollfuss: instructions to let Signor Suvich know that H.M.G. would appreciate being informed of what passes at meetings.	542
345 To SIR E. DRUMMOND Rome Tel. No. 88	Mar. 13	Instructions to take opportunity of Dr. Dollfuss's presence in Rome to speak to him and Signor Mussolini on unfortunate effect on British public opinion and impediment to continued co-operation of H.M.G. with Italian and French Governments in support of Austrian Government if trial of Socialist leaders not carried out with justice and impartiality: Major Fey alleged to be endeavouring to exploit trial for purely political purposes and intending to convict leaders of having prepared 'putsch' against Government.	543
346 To SIR W. SELBY Vienna Tel. No. 36	Mar. 13	Refers to No. 345: instructions to speak to Dr. Dollfuss in same sense on his return to Versailles: meanwhile Italian colleague should be informed of H.M.G.'s views on this subject.	544
347 SIR E. PHIPPS Berlin No. 291	Mar. 13	Reports information received by Military Attaché from Italian Military Attaché regarding preparation of field works in demilitarized zone east of Rhine: according to informant, undertaking was only decided upon after signing of Polish-German Treaty, when it was felt that preparations to meet possible French advance could be pushed further westwards.	545
348 SIR E. DRUMMOND Rome Tel. No. 96	Mar. 14	Refers to No. 345 and reports representations made to Dr. Dollfuss who stated that trial would be conducted with perfect fairness and that Socialist leaders would have every opportunity of being adequately defended: Chancellor then explained steps he was taking to heal wounds inflicted: considers that in view of reassuring statements by Dr. Dollfuss it would be mistake to make same points with Signor Mussolini.	545

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349 SIR E. DRUMMOND Rome Tel. No. 97	Mar. 15	Refers to No. 348 and reports that he has explained position to Signor Suvich who felt sure that Chancellor had no intention of maximizing trial: according to Signor Suvich Dr. Dollfuss was considering new Constitution based on establishment of three main corporations of which Signor Suvich gave details.	546
350 SIR E. DRUMMOND Rome Tel. No. 98	Mar. 15	Reports information that Signor Mussolini has submitted to Dr. Dollfuss and General Gömbös draft of political pact providing solely for consultation between Italy, Austria and Hungary: principal object of pact was to strengthen Dr. Dollfuss's position.	547
351 GERMAN EMBASSY London	Mar. 15	Translation of telegram of March 13 from German M.F.A., Berlin, to German Chargé d'Affaires, London, containing German reply to French memorandum of February 14 regarding disarmament.	547
352 TO SIR E. PHIPPS Berlin No. 302	Mar. 15	Records Prince von Bismarck's explanation why German Government had decided to reply to French Note of February 14: no publication of Note contemplated in course of next few days.	552
353 SIR E. DRUMMOND Rome Tel. No. 103	Mar. 17	Refers to No. 350 and reports that two protocols, one political and one economic, will be signed on March 17 by Italy, Austria and Hungary: summarizes contents of protocols.	553
354 SIR G. CLERK Brussels Tel. No. 15	Mar. 19	Reports conversation with M.F.A. who explained why Belgian Government were unable to adhere to British disarmament memorandum.	553
355 TO LORD TYRRELL Paris No. 464	Mar. 19	Transmits copy of French Government's reply to British disarmament memorandum of January 29 and records discussion with French Ambassador regarding questions of security and guarantees for execution.	554
356 SIR W. SELBY Vienna No. 56	Mar. 19	Comments on reports received from H.M. Consul at Innsbruck covering events in several western provinces since beginning of February and discusses internal situation in Austria and precarious position of Dr. Dollfuss.	560
357 LORD TYRRELL Paris No. 508	Mar. 20	Transmits copy of report from Military Attaché regarding his conversations with General Weygand and Colonel de Latre de Tassigny on March 16 concerning disarmament.	562
358 SIR E. DRUMMOND Rome No. 246	Mar. 20	Reports and comments on conversation with Signor Suvich on attitude of Little Entente to political and economic protocols signed in Rome on March 17 and to Signor Mussolini's speech of March 18.	564
359 LORD TYRRELL Paris Tel. No. 66	Mar. 21	Discusses French objections to German rearmament simultaneously with French disarmament and other outstanding difficulties in way of Disarmament Convention.	567

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360	SIR E. PHIPPS Berlin Tel. No. 68 Saving	Mar. 21	Summarizes conversation with General von Blomberg on March 19 regarding German air requirements and reports comments of latter on General Göring's Potsdam speech on March 9.	569
361	MR. SARGENT Foreign Office	Mar. 21	Records conversation with Signor Vitetti who called, on instructions from his Government, to give some explanations regarding three protocols signed in Rome between Italian, Austrian and Hungarian Governments: Signor Vitetti also spoke of Signor Mussolini's speech and dealt with passages concerning France, Hungarian claim to frontier revision and Italian relations with Yugoslavia.	569
362	SIR E. PHIPPS Berlin No. 323	Mar. 21	Reports predominantly pessimistic views of Herr Treviranus and Dr. Brüning expressed in course of conversation with member of Embassy staff on present political situation in Germany.	571
363	FOREIGN OFFICE	Mar. 21	Memorandum on Germany's illegal rearmament and its effect on British policy.	574
364	TO SIR E. PHIPPS Berlin No. 350	Mar. 22	Records conversation with German Ambassador regarding German claim to defensive aircraft: personal reflections on subject of 'security' mentioned to Herr von Hoesch.	583
365	SIR E. PHIPPS Berlin Tel. No. 73 Saving	Mar. 24	Reports that Military Attaché has reliable information that S.A. headquarters are very relieved that ex-Allied Powers have not accepted offer to submit S.A. to control since immediate imposition of control would wreck their present system of training men for Reichswehr and would interfere with their future activities.	584
366	TO SIR E. PHIPPS Berlin No. 352	Mar. 26	Records conversation with German Ambassador who criticized French intransigence and advanced German proposal for guarantees to apply to all European States including U.S.S.R. and United Kingdom: Herr von Hoesch gave reasons why Germany could not give definite figures for aircraft she wanted.	584
367	TO SIR E. DRUMMOND Rome No. 288	Mar. 26	Refers to No. 326 in which reference is made to possible difficulties in regard to interpretation of Article 16 of Covenant which might be raised by Italian military intervention in Austria and explains position <i>vis-à-vis</i> League of Nations.	586
368	TO LORD TYRRELL Paris Tel. No. 68	Mar. 27	Instructions regarding enquiry to be made of French Government whether they would be prepared to accept British memorandum of January 29, as modified by German proposals, if general agreement were reached on further guarantees of execution of Convention.	587
369	TO SIR E. DRUMMOND Rome No. 303	Mar. 27	Records conversation with Italian Ambassador regarding three protocols between Italy, Austria and Hungary signed at Rome on March 17 and position of Austria.	588

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
370 Record of Conversation London	Mar. 28	Record of conversation between Secretary of State, Mr. Eden and Mr. Henderson held at House of Commons on March 28 regarding disarmament and in particular position of Bureau when it met on April 10.	589
371 LORD TYRRELL Paris Tel. No. 71	Mar. 30	Refers to No. 368 and reports conversation with M. Barthou who explained why French reply could not be given before April 5: comments on business-like tone of M. Barthou's remarks and considers French Government realize seriousness of situation should no agreement be reached.	593
372 LORD TYRRELL Paris Tel. No. 72	Apr. 4	Learns that publication of German estimates with increased military credits is having unfortunate effect on French Cabinet and is playing into hands of those opposed to Convention: asks for indication of H.M.G.'s attitude on subject.	594
373 SIR E. PHIPPS Berlin No. 372	Apr. 4	Reports information regarding reduction in period of service of recruits recently taken into German army and transmits comments of Military Attaché on measure.	595
374 SIR E. PHIPPS Berlin No. 373	Apr. 4	Transmits detailed figures of expenditure on army, navy and Air Ministry provided for in budget for 1934, which show an all-round increase.	595
375 To SIR E. PHIPPS Berlin Tel. No. 67	Apr. 6	Refers to No. 374: instructions to address Note to German Government expressing concern of H.M.G. at increase in estimates and asking for reason for such increases: estimates now subject of questions in House of Commons.	600
376 LORD TYRRELL Paris Tel. No. 101 Saving	Apr. 6	Refers to No. 377 and reports that M. Barthou, in communicating reply of French Government, stated that reply, though only an interim one, was not meant to be dilatory or obstructive and that his Government were unanimous in their determination to get on with Conference: considers that French Government now anxious to get an arms convention.	600
377 LORD TYRRELL Paris No. 625	Apr. 6	Refers to No. 368 and transmits reply of French Government to enquiry whether they would accept British proposals if general agreement were reached on question of guarantees of execution of Convention.	601
378 SIR W. SELBY Vienna No. 73	Apr. 6	Reports conversation with Secretary-General of Ministry of Foreign Affairs who stated that Austro-German relations had again taken turn for worse and that Germany appeared to be completely unwilling to enter into negotiations with Austria for settlement of dispute.	603
379 Record of Conversation London	Apr. 6	Record of conversation between Mr. Norman Davis, Sir J. Simon and Mr. Eden regarding disarmament and in particular question of guarantees of execution.	604



	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
380	SIR E. DRUMMOND Rome No. 303	Apr. 7	Reviews at length Italian policy regarding Yugoslavia and reports conversation with Marquis Theodoli, President of Mandates Commission, on subject.	607
381	TO MR. PATTESON Geneva Tel. No. 14 L.N.	Apr. 9	Message for Mr. Eden transmitting views of Ministerial Committee for guidance in attitude to be adopted at Geneva.	612
382	SIR E. PHIPPS Berlin Tel. No. 81 Saving	Apr. 9	Refers to No. 375 and summarizes explanation given by Baron von Neurath in regard to increase in budgetary estimates for army, navy and Air Ministry.	613
383	TO SIR E. PHIPPS Berlin Tel. No. 18 Saving	Apr. 10	Refers to No. 382 and transmits information received from Counsellor of German Embassy regarding increase in German estimates.	614
384	TO LORD TYRRELL Paris No. 566	Apr. 10	Records conversation with French Ambassador regarding increase in German armaments estimates and French Note of April 6 (Enclosure in No. 377).	615
385	TO FRENCH AMBASSADOR London	Apr. 10	Letter from Secretary of State formulating two questions concerning 'guarantees of execution' regarding which H.M.G. are anxious to learn attitude of French Government.	617
386	SIR E. PHIPPS Berlin No. 396	Apr. 10	Transmits translation of statement made by Dr. Schacht to press at Bâle on April 9 regarding German exchange position and question of Germany's foreign debt: comments on German debt question and position <i>vis-à-vis</i> United States.	618
387	LORD TYRRELL Paris Tel. No. 103 Saving	Apr. 11	Reports conversation with M. Barthou and M. Léger respecting delay of French Government in giving final reply to questions put to them by H.M.G.	620
388	SIR E. PHIPPS Berlin No. 413	Apr. 11	Refers to No. 382 and transmits translation of Note in which German Government explain increase in budgetary estimates.	621
389	SIR E. PHIPPS Berlin No. 420	Apr. 11	Refers to No. 382 and transmits copies of two despatches in which Naval Attaché records conversations on subject of German naval building programme and naval estimates for financial year 1934-5.	623
390	UNITED KINGDOM DELEGATE Geneva No. 32	Apr. 11	Transmits record of conversation between Mr. Eden and Mr. Henderson on April 10 regarding procedure to be adopted by Disarmament Conference: proposal to call meeting of General Commission for May 23.	626
391	TO LORD TYRRELL Paris Tel. No. 75	Apr. 12	Refers to No. 372: instructions to communicate to French Government German explanations in Nos. 382 and 383 if it is considered that such action would serve any useful purpose: H.M.G. awaiting German Government's written reply to Sir E. Phipps before expressing opinion.	629

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
392	To SIR E. DRUMMOND Rome Tel. No. 105	Apr. 12	Refers to increases in German armaments estimates and records certain informal explanations received from German Embassy in London: instructions to enquire views of Italian Government with regard to position revealed by estimates and whether they have received from German Government any similar explanation or made any comment.	629
393	SIR E. DRUMMOND Rome Tel. No. 12 Saving	Apr. 14	Refers to No. 392 and reports that Italian Government have not made any enquiries of German Government on subject of increases in estimates: they were not surprised at increases and in Signor Suvich's view action taken emphasized necessity of early agreement for limitation of armaments.	630
394	MR. CAMPBELL Paris Tel. No. 75	Apr. 17	Refers to No. 387 and reports interview with M. Barthou who communicated reply of French Government regarding disarmament question: reply amounts to decision that in present circumstances France would not be justified in proceeding with negotiations for convention legalizing rearmament of Germany: suggests immediate publication of Note.	630
395	MR. CAMPBELL Paris No. 682	Apr. 17	Refers to No. 394 and transmits text of reply of French Government of April 17.	631
396	SIR E. PHIPPS Berlin No. 434	Apr. 17	Transmits extracts of notes made by Military Attaché, after visits to Labour camps near Berlin, on military aspects of labour service in Germany.	633
397	SIR E. PHIPPS Berlin Tel. No. 104	Apr. 18	Refers to No. 394 and points out unfortunate consequences likely to follow any violent anti-French outburst in British press on April 19.	637
398	MR. CAMPBELL Paris Tel. No. 112 Saving	Apr. 18	Refers to No. 394 and states that justice was not done therein to M. Barthou's expressions of his Government's regret regarding their answer and of their hope that the two Governments would nevertheless continue to work in close harmony.	637
399	SIR E. PHIPPS Berlin Tel. No. 89 Saving	Apr. 18	Reports information that conflicts in Church and army are causing Herr Hitler much anxiety: 'compulsory' labour service is also another source of conflict.	637
400	Record of Conversation London	Apr. 19	Record of conversation between Mr. Henderson, Secretary of State and Mr. Eden regarding situation created by latest French reply of April 17: arrangement that enquiry should be made whether M. Barthou could come to Bureau about May 7.	638

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
401	SIR E. DRUMMOND Rome Tel. No. 115	Apr. 20	Reports conversation with Signor Suvich who was disturbed over present armaments situation: he said he felt France must be brought to realize she could not continue to impose negative and destructive policy on Europe and that he intended to explain this point of view to M. Doumergue when he saw him in Paris.	641
402	Record of Conversation London	Apr. 24	Record of conversation with Signor Suvich and Signor Grandi at Foreign Office on April 24 when Secretary of State explained to Signor Suvich history of two White Papers on disarmament recently laid before Parliament: general discussion followed on situation created by attitude of French Government.	641
403	SIR E. PHIPPS Berlin Tel. No. 94 Saving	Apr. 25	Reports information that Chancellor and entourage are in chastened mood in consequence of French reply to H.M.G.: M. Barthou's Warsaw visit also inspires misgivings: German hopes seem to turn again to Signor Mussolini who, it is thought, may produce some plan that France will find it difficult to turn down.	648
404	SIR E. PHIPPS Berlin No. 475	Apr. 25	Reports appointment on April 20 of Herr Himmler, leader of S.S., as Chief of Prussian Secret Police, thus giving him control of entire German secret police.	649
405	SIR E. PHIPPS Berlin No. 477	Apr. 25	Reviews at length general situation in Germany, economic and political: comments on effect of Herr Hitler's régime.	649
406	SIR E. PHIPPS Berlin No. 478	Apr. 25	Reports and comments on appointment of Herr von Ribbentrop as Special Commissioner for Disarmament Questions.	657
407	TO MR. CAMPBELL Paris No. 640	Apr. 26	Records conversation with French Ambassador regarding French Government's Note of April 17 (No. 395): M. Corbin considered each concession to Germany was used as jumping-off ground for further claims: objections to presenting Germany with ready-made Convention pointed out to Ambassador.	658
408	SIR E. PHIPPS Berlin No. 482	Apr. 26	Reviews possible effect of Germany's foreign exchange situation on her trade with other countries.	660
409	MR. EDEN Foreign Office	Apr. 27	Records conversation with Mr. Henderson when message from French Government about meeting of Bureau discussed.	662
410	TO MR. NEWTON Berlin No. 470	Apr. 27	Records conversation with German Ambassador who, in alluding to present state of disarmament discussions, complained of obstructive attitude of French Government.	663

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
411	SIR W. SELBY Vienna No. 86	Apr. 27	Reports that Austrian Government is believed to have settled for time being trouble which arose out of Chancellor's desire to appoint Prince Starhemberg as Vice-Chancellor and to side-track Major Fey: comments on activities of Nazis and Communists and failure of Government to win over working classes, owing mainly to economic situation.	664
412	SIR E. PHIPPS Berlin Tel. No. 101 Saving	Apr. 29	Summarizes conversations with Herr von Ribbentrop, Baron von Neurath and Belgian Minister regarding present 'impasse' in disarmament negotiations: Baron von Neurath said that all now depended on H.M.G. who should again take initiative: reports reply of M.F.A. to enquiry whether Germany would return to Geneva and League.	666
413	MR. CAMPBELL Paris Tel. No. 123 Saving	Apr. 30	Reports information received regarding results of M. Barthou's visits to Warsaw and Prague: Poles made it clear that they expected to be treated as Great Power and that former Governments' disarmament policy had greatly shaken their faith in France: impression derived that Marshal Pilsudski was strongly drawn towards Herr Hitler's orbit while professing that Franco-Polish alliance was still foundation of Polish policy: visit to Prague proved complete agreement between French and Czechoslovak Governments on all aspects of policy.	669
414	Record of Conversation London	Apr. 30	Record of conversation at House of Commons between Secretary of State, Mr. Eden and Mr. Henderson regarding disarmament and attitude of French Government on question of guarantees of execution.	670
415	MR. CAMPBELL Paris No. 755	Apr. 30	Reviews situation leading up to communication of French Government's Note of April 17 (No. 395) and summarizes conversations with M. Léger, M. Tardieu, M. Doumergue, M. Flandin and General Weygand regarding disarmament question: points out similarity of views expressed and concludes that French Government have definitely decided against a convention legalizing German rearmament.	674
416	MR. CAMPBELL Paris No. 757	Apr. 30	Transmits copy of despatch from Military Attaché reporting his conversation with General Weygand on the disarmament question.	683

## CHAPTER VII

The last period of the Disarmament Conference: Franco-Russian proposals for an Eastern Pact: events of June 30 in Germany: M. Barthou's visit to London (May 1-July 10, 1934)

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
417	MR. NEWTON Berlin No. 512	May 2	Describes celebrations held on May 1 on the Tempelhofer Feld attended by about two million people.	686
418	SIR G. CLERK Paris Tel. No. 127 Saving	May 5	Refers to No. 413 and reports information from M. Léger regarding M. Barthou's visits to Warsaw and Prague: M. Barthou satisfied that Poland was not drifting into German orbit: summarizes replies of M. Léger to questions regarding military arrangements between French and Polish General Staffs, French support of Poland's claim to permanent seat on League Council and Polish attitude towards policy adopted by French towards disarmament.	688
419	Record of Conversation London	May 8	Record of conversation between Mr. Henderson, Secretary of State and Mr. Eden in Secretary of State's room at House of Commons on May 8 at which French attitude towards disarmament and line they might take at meeting of General Commission of Disarmament Conference discussed.	689
420	SIR W. ERSKINE Warsaw No. 225	May 9	Summarizes conversations with M. Beck and French Ambassador regarding M. Barthou's visit to Warsaw: M. Beck expressed satisfaction with result of visit and indicated that M. Barthou had recognized Poland's claim to treatment as equal partner and her right to conclude agreements with Germany and Russia: comments on visit.	693
421	MR. EDEN Foreign Office	May 10	Records conversation with Herr von Ribbentrop regarding chances of concluding disarmament agreement.	695
422	SIR E. DRUMMOND Rome Tel. No. 18 Saving	May 12	Refers to No. 369 and reports information from head of Commercial Department of Ministry of Foreign Affairs regarding scope of Italo-Austro-Hungarian economic agreements probably to be signed by May 15.	696
423	MR. PATTESON Geneva Tel. No. 21 L.N.	May 14	Message from Mr. Eden reporting his conversation with M. Avenol on future of Disarmament Conference: suggestion made by M. Avenol that Conference should be brought to an end and responsibility for work of disarmament reassumed by Council of League.	698
424	LORD STANHOPE Foreign Office	May 14	Record of conversation with Herr von Ribbentrop on May 11 regarding disarmament and in particular question of aircraft for Germany and her refusal to return to League of Nations.	699

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425	MR. PATTESON Geneva Tel. No. 26 L.N.	May 15	Message from Mr. Eden reporting his conversation with M. Massigli who explained reasons which had prompted his Government to frame their last Note of April 17 (No. 395): immediate future of Disarmament Conference then discussed: in reply to question whether French Government were nervous regarding any German military activity in near future, M. Massigli spoke of strength of French fortifications and position of Belgium.	700
426	MR. PATTESON Geneva Tel. No. 27 L.N.	May 15	Message from Mr. Eden summarizing conversation with M. Barthou regarding present European situation and disarmament question: M. Barthou spoke of projected visit of M. Litvinov to Geneva for purpose of discussing Soviet proposal for Franco-Soviet pact and possibility of Russia's entry into League.	702
427	Record of Conversation London	May 15	Record of conversation of Secretary of State with Mr. Henderson at House of Commons on May 15 when attitude and intentions of French and German Governments towards disarmament discussed.	704
428	MR. PATTESON Geneva Tel. No. 19 L.N. Saving	May 19	Message from Mr. Eden reporting information received from M. Barthou regarding his conversation with M. Litvinov concerning negotiations for Franco-Soviet pact and entry of Soviet Government into League of Nations: M. Barthou stated that French Government would shortly have to determine upon their positive course regarding disarmament and expressed himself as well satisfied with progress recorded so far in Saar negotiations.	707
429	SIR R. VANSITTART Foreign Office	May 24	Records conversation with Italian Ambassador who enquired whether H.M.G. intended to make any further proposals at Geneva on May 29 and whether Conference could not be adjourned until autumn: Signor Grandi informed that H.M.G. could make no new proposals as France was expected to make next move: he was also informed of reasons why adjournment of Conference was impossible.	709
430	SIR R. VANSITTART Foreign Office	May 24	Records conversation with German Ambassador who pressed for adjournment of Disarmament Conference: Herr von Hoesch informed of reasons why adjournment was not possible.	711
431	SIR R. VANSITTART Foreign Office	May 24	Records conversation with German Ambassador who stated that Herr Hitler was ready to conclude pact of non-aggression with Belgium provided H.M.G. would take initiative in matter.	713
432	TO SIR E. PHIPPS Berlin No. 579	May 26	Records conversation with German Ambassador who urged expediency of adjourning Disarmament Conference: Herr von Hoesch informed of reasons why adjourn-	713

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		ment was considered undesirable: Ambassador then spoke of Herr Hitler's willingness to enter into non-aggression pact with Belgium provided H.M.G. would take initiative.	
433 SIR E. PHIPPS Berlin Tel. No. 112 Saving	May 30	Reports information regarding friction between Herr Hitler and Herr Röhm on major question of S.A.: further causes of disagreement between Party and Government are policy to be adopted towards Jews, recent decree tying agricultural labourers to land and Stahlhelm dispute.	715
434 UNITED KINGDOM DELEGATE Geneva No. 62	May 30	Transmits record of conversation between Sir J. Simon, Mr. Eden and Mr. Henderson on May 28 respecting Franco-German disarmament deadlock and future of Conference.	716
435 UNITED KINGDOM DELEGATE Geneva No. 63	May 30	Transmits record of conversation on May 28 between Sir J. Simon and Mr. Norman Davis, in which Mr. Eden and Mr. H. Wilson took part, regarding French attitude towards disarmament convention: Mr. Davis not entirely convinced that, in spite of present deadlock, some agreement might not be reached.	719
436 SECRETARY OF STATE Geneva	May 30	Speech of Sir J. Simon in General Commission on May 30.	722
437 MR. PATTESON Geneva Tel. No. 34 L.N.	May 31	Message for Prime Minister from Secretary of State stating that Mr. Henderson takes extremely grave view of M. Barthou's speech in General Commission on May 30 and holds that, if this represents final French attitude, further discussion at present is useless.	728
438 Record of Conversation Geneva	June 1	Record of conversation between Mr. Strang and M. Massigli on June 1: latter explained, on purely personal basis, some of preoccupations of French delegation at present stage in question of disarmament.	729
439 UNITED KINGDOM DELEGATE Geneva No. 67	June 1	Transmits copy of despatch to H.M. Representative at Angora recording conversation of Secretary of State and Tevfik Rüştü Bey respecting proposed Eastern Locarno and Mediterranean Pact.	732
440 MR. PATTESON Geneva Tel. No. 39 L.N.	June 2	Message from Mr. Eden stating that it is Mr. Henderson's present intention to secure from Bureau authority to enable him to do what he can to overcome Franco-German differences, suspending other activities of Conference meanwhile.	734
441 MR. PATTESON Geneva Tel. No. 42 L.N.	June 5	Message from Mr. Eden reporting failure of Bureau to reach any agreement as to future of Conference: Bureau to meet again on June 5: President has foreshadowed postponement of General Commission at present fixed for June 6.	734

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442 MR. PATTESON Geneva Tel. No. 43 L.N.	June 5	Message from Mr. Eden summarizing views expressed by M. Motta in meeting of Bureau and M. Sandler in conversation that H.M.G. should 'go a little further' in matter of guarantees of execution: requests any guidance that can be given.	735
443 To MR. PATTESON Geneva Tel. No. 52 L.N.	June 7	Message for Mr. Eden regarding line to be taken in his speech in Bureau on June 8: H.M.G. consider it useless to proceed with disarmament discussions without German participation.	736
444 To MR. PATTESON Geneva Tel. No. 54 L.N.	June 8	Message for Mr. Eden: refers to No. 443 and states that Germany's return to Geneva would be useless unless ground had been prepared by some measure of agreement.	738
445 MR. PATTESON Geneva Tel. Unnumbered L.N.	June 8	Message from Mr. Eden transmitting text of proposed resolution to be submitted to General Commission.	738
446 MR. PATTESON Geneva Tel. No. 29 L.N. Saving	June 8	Message from Mr. Eden recording proceedings of meeting of June 8 when M. Barthou submitted his resolution to General Commission which was adopted.	740
447 SIR E. PHIPPS Berlin No. 671	June 8	Transmits text of communiqué published in press of June 8 announcing that Herr Röhm had left for several weeks' sick leave.	742
448 SIR E. PHIPPS Berlin No. 676	June 9	Refers to No. 447 and transmits text of statement issued by Herr Röhm which appeared in press of June 9 on subject of his sick leave and summer leave of S.A.	742
449 SIR W. SELBY Vienna No. 118	June 11	Discusses situation arising out of increased Nazi terrorist campaign and unsatisfactory state of budget and economic position.	743
450 To SIR E. PHIPPS Berlin No. 638	June 12	Records conversation with German Ambassador regarding proposals for an Eastern Pact suggested by M. Litvinov to M. Barthou and communicated to German Ministry of Foreign Affairs by French Ambassador in Berlin: M. Barthou had suggested to M. Litvinov that in return for French guarantee of proposed Pact, U.S.S.R. should guarantee Locarno Treaty.	746
451 SIR W. SELBY Vienna No. 119	June 13	Reports conversation with Dr. Dollfuss regarding renewal of Nazi agitation, maintenance of Austria's independence, tourist traffic to Austria, question of Austrian debts abroad and economic assistance from H.M.G.: Dr. Dollfuss, in speaking of impending meeting between Signor Mussolini and Herr Hitler, said he could rely on good faith of Signor Mussolini in maintaining Italian attitude in respect of independence of Austria.	748
452 SIR E. PHIPPS Berlin No. 696	June 13	Describes visit to bison enclosure at Schorfheide on invitation of General Göring, 'Head Ranger of the Reich': comments on personality of General Göring.	749



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453	SIR E. PHIPPS Berlin	June 13	Letter to Mr. Sargent reporting information from member of Reichswehr Ministry on feeling in Ministry concerning events in Geneva: all senior and experienced officers felt that definite breakdown would be regrettable: aim of Reichswehr was to reach any kind of reasonable convention which would replace Part V of Treaty of Versailles.	751
454	SIR G. CLERK Paris Tel. No. 159 Saving	June 14	Reports conversation with M. Barthou who stated emphatically that proposed 'Eastern Locarno' was in no way inspired by any feeling that ties between Great Britain and France had weakened and that France must seek security elsewhere: M.F.A. then spoke of hopes for 'Mediterranean Locarno' in which he realized H.M.G. must play a part.	752
455	SIR G. CLERK Paris No. 994	June 14	Refers to No. 454 and outlines history of negotiations which have been taking place with U.S.S.R. and now appear to be on point of maturing for collective pact of mutual assistance to be guaranteed by France: condition of scheme so far as France is concerned is that U.S.S.R. should join League of Nations.	753
456	SIR G. CLERK Paris No. 998	June 14	Transmits despatch from Military Attaché recording conversation with General Gamelin on June 11 regarding acceleration in German rearmament.	756
457	SIR E. PHIPPS Berlin Tel. No. 126 Saving	June 15	Reports information from Czechoslovak Minister regarding suggestion made by M. Litvinov to Baron von Neurath that Germany should join an 'Eastern Locarno': M.F.A. replied that she would never do so until she had 'Gleichberechtigung'.	759
458	SIR G. CLERK Paris No. 1001	June 15	Refers to Nos. 454 and 455 and reports that M. Barthou and his advisers appear to be seriously considering proposal for Southern or Mediterranean Pact which would include states omitted from Eastern Locarno Pact and thus complete system of European security: comments on proposed pact.	759
459	MR. SARGENT Foreign Office	June 16	Refers to No. 450 and records conversation with German Ambassador who stated that he wished Secretary of State to know that M. Litvinov had mentioned to Baron von Neurath project for multilateral non-aggression pact and had invited Germany to become a party, but no mention was made of suggestion that Russia should guarantee existing Treaty of Locarno.	760
460	SIR E. PHIPPS Berlin Tel. No. 129 Saving	June 19	Refers to No. 457 and transmits account received from M.F.A. of his conversation with M. Litvinov regarding Germany's reasons for refusing to join projected	761

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		Eastern Locarno, Russia's fear of German expansionist policy to East and particularly in Ukraine and her desire to re-insure herself in west owing to her fear of Japanese aggression.	
461 To SIR G. CLERK Paris No. 931	June 19	Records that French Ambassador called to see Sir R. Vansittart on June 14 and enquired whether H.M.G. had any comments to make on suggestion that Russia should guarantee Western Locarno Treaty: no observations on this scheme being made to French Government at present.	762
462 SIR E. DRUMMOND Rome Tel. No. 187	June 20	Records information from Signor Suvich regarding Herr Hitler's conversations with Signor Mussolini at Venice and Signor Suvich's conversations with Baron von Neurath: three main topics of conversation were Austria, Disarmament and League of Nations: mention also made of Russian proposal for Eastern Locarno.	762
463 SIR G. CLERK Paris No. 1024	June 20	Refers to M. Barthou's forthcoming visit to London and discusses what appear to be principles now guiding French foreign policy.	764
464 SIR G. CLERK Paris Tel. No. 171 Saving	June 21	Reports information from M. Léger regarding M. Barthou's meeting with Dr. Dollfuss in Vienna: conversation was of general character and M. Barthou reaffirmed intention of France to uphold independence of Austria.	768
465 SIR G. CLERK Paris Tel. No. 175 Saving	June 21	Reports conversation with M. Léger regarding Franco-Soviet plan for Eastern Locarno: M. Léger outlined origin of proposal and pointed out that if it did not materialize, France would be forced to revert to original idea of alliance with Russia: he declared that France was absolutely sincere in desiring German participation and begged that H.M.G. would use their influence to overcome hostility of German, Polish and Italian Governments.	769
466 SIR E. PHIPPS Berlin Tel. No. 134 Saving	June 21	Reports information from Belgian Minister regarding German unofficial approaches for conclusion of non-aggression pact between Germany and Belgium and attitude of Belgian Government towards matter.	771
467 MR. HADOW Vienna Tel. No. 17 Saving	June 21	Summarizes information from French Minister giving main points of M. Barthou's conversation with Dr. Dollfuss at Vienna: M. Barthou suggested that Dr. Dollfuss might visit Paris: French Minister would like M. Barthou to visit Salzburg in August to continue conversations.	772

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468	VISCOUNT CHILSTON Moscow Tel. No. 81	June 22	Reports conversation with M. Litvinov regarding scope of proposed Eastern Locarno Pact; and its relation to Treaty of Locarno: M. Litvinov complained that he had been unable to find out what were real views of H.M.G. on subject and wished for better relations with Great Britain: M. Litvinov stated definitely that Soviet Union had now accepted entrance into League as necessary.	773
469	SIR E. PHIPPS Berlin Tel. No. 137 Saving	June 22	Reports statements on transfer moratorium made by Dr. Schacht at gathering of Diplomatic Corps and representatives of foreign press on June 21: outlines rough scheme prepared by Dr. Schacht in event of a clearing.	774
470	SIR E. PHIPPS Berlin Tel. No. 141 Saving	June 23	Reports that Dr. Schmitt deplors rash action of Herr von Papen in making attack on National Socialist régime in speech at Marburg on June 17: Dr. Schmitt convinced that Chancellor's position is unassailable and that internal differences have been composed at any rate for present.	775
471	TO SIR G. CLERK Paris No. 976	June 26	Refers to No. 465 and records that French Ambassador called on Sir R. Vansittart on June 22 and spoke to him on subject of proposed Eastern Locarno in same sense as reported in despatch under reference: M. Corbin promised to supply further details regarding proposal.	775
472	TO SIR G. CLERK Paris No. 974	June 27	Transmits memorandum on proposals for an Eastern Locarno Treaty left with Sir R. Vansittart by French Ambassador on June 27.	776
473	SIR E. PHIPPS Berlin Tel. No. 172	June 30	Transmits text of announcement made to press by General Göring regarding arrest of certain leaders of S.A. including Herr Röhm: amongst those shot while resisting was General von Schleicher.	778
474	SIR E. PHIPPS Berlin Tel. No. 173	June 30	Reports conversation with M.F.A. regarding attempted 'putsch': beyond fact that Vice-Chancellor's chief of press had killed himself, Baron von Neurath unaware of further details.	779
475	SIR E. PHIPPS Berlin Tel. No. 175	June 30	Refers to No. 474 and transmits information received from M.F.A. regarding S.A. 'putsch' headed by Herr Röhm which was due to take place night of June 30/July 1: General von Schleicher and wife shot dead and Herr Röhm may also be dead: Herr von Papen still Vice-Chancellor but has been asked to remain in his house.	779
476	SIR E. PHIPPS Berlin Tel. No. 176	July 1	Transmits brief explanation of recent events and reason for attempted 'putsch' by Herr Röhm.	780

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477 SIR E. PHIPPS Berlin Tel. No. 178	July 2	Reports conversation with French Ambassador regarding recent events: M. François-Poncet inclined to exaggerate possible consequences and fears anti-foreign outbreaks of which there are no signs visible: Ambassador outraged at accusation that he intrigued with General von Schleicher.	781
478 SIR E. PHIPPS Berlin Tel. No. 150 Saving	July 2	Refers to No. 476 and reports further details regarding attempted 'putsch': about thirty S.A. leaders shot: Police now ransacking S.A. quarters and headquarters in Berlin.	781
479 SIR W. ERSKINE Warsaw No. 298	July 3	Refers to No. 472 and reports conversation with French Ambassador regarding Poland's attitude towards proposed Eastern Locarno Pact: discusses position generally.	782
480 SIR E. PHIPPS Berlin Tel. No. 183	July 4	Refers to No. 475 and reports further information received from M.F.A. regarding 'putsch': number of executions throughout Germany was either 43 or 46: no Cabinet changes contemplated and Herr von Papen to continue as Vice-Chancellor.	784
481 To M. CAMBON London	July 4	Letter from Mr. Sargent enclosing memorandum containing points regarding proposed Eastern Locarno on which H.M.G. would be glad to have further information.	785
482 SIR E. PHIPPS Berlin Tel. No. 156 Saving	July 5	Reports information from Italian Ambassador that Germans greatly fear that M. Barthou will try to persuade H.M.G. to collaborate more closely with France, with view to forming Western bloc against Germany, to be joined perhaps later on by Italy.	787
483 SIR E. PHIPPS Berlin No. 789	July 5	Transmits report by Military Attaché on progress made since last December in expansion of German army and on relations between regular army and Nazi formations.	788
484 SIR W. ERSKINE Warsaw Tel. No. 36	July 6	Refers to No. 479 and reports reply of M.F.A. to question whether Polish Government had yet made their decision regarding proposed Eastern Locarno Treaty: similar reply given to French Ambassador: considers Polish Government opposed to scheme and temporizing in hope that Germany may reject it or something else may occur to cause its abandonment.	799
485 SIR E. PHIPPS Berlin Tel. No. 158 Saving	July 6	Reports information from French Ambassador regarding his representations to M.F.A. concerning press attacks on France in connexion with alleged relations between French Government and General von Schleicher and insinuations regarding supply of arms to S.A.	800
486 M. CAMBON London	July 7	Letter to Mr. Sargent acknowledging No. 481 and transmitting reply to questions contained in memorandum attached thereto.	801

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
487	Record of Meeting London	July 9	Record of Anglo-French meeting held at Foreign Office on July 9 at 10.30 a.m. regarding proposed Eastern Locarno Treaty: possibility of Mediterranean pact referred to by M. Barthou.	803
488	Record of Meeting London	July 9	Record of Anglo-French meeting held at Foreign Office on July 9 at 3.30 p.m. in continuation of meeting held at 10.30 a.m. (No. 487)	809
489	Record of Meeting London	July 10	Record of Anglo-French meeting held at Foreign Office on July 10 at 10.30 a.m. in continuation of meetings held on July 9: text of formula expressing consent of H.M.G. to recommend Eastern Mutual Guarantee Pact to German, Polish and Italian Governments attached: question of work of Disarmament Conference discussed and views on air and naval questions exchanged.	816
490	Record of Meeting London	July 10	Record of Anglo-French naval discussions held at Foreign Office on July 10 at 4.45 p.m. in continuation of meeting held at 10.30 a.m. (No. 489).	822
491	To SIR E. DRUMMOND Rome No. 614	July 10	Records information given by Sir R. Vansittart to Italian Ambassador in reply to enquiry regarding attitude of H.M.G. towards proposed Eastern Locarno Pact: appears to be evident that Signor Mussolini's attitude towards proposal is one of suspicion.	825

## CHAPTER VIII

Further discussions with regard to an Eastern Pact: German opposition to the proposals: assassination of Dr. Dollfuss (July 11–August 3, 1934)

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
492	To SIR E. DRUMMOND Rome Tel. No. 209 To SIR E. PHIPPS Berlin Tel. No. 123 To SIR W. ERSKINE Warsaw Tel. No. 37	July 11	Refers to No. 496 and transmits text of memorandum outlining (i) Treaty of Regional Assistance to be signed by Poland, Russia, Germany, Czechoslovakia, Finland, Estonia, Latvia and Lithuania, (ii) Agreement between France and Russia and (iii) a General Act to be signed by signatories of (i) and France.	827
493	To SIR G. CLERK Paris Tel. No. 99	July 11	Refers to Nos. 496 and 497: instructions to inform French Government of instructions sent to H.M. Ambassadors at Rome, Berlin and Warsaw regarding projected Eastern Locarno Pact: statement to be made in House of Commons on July 13 giving full account of arrangements made with M. Barthou and of action taken thereon.	828

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	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
494	To SIR G. CLERK Paris No. 1045	July 11	Records conversation with French Ambassador who was informed that H.M.G. had approved arrangement made with M. Barthou regarding proposed Eastern Locarno Pact, but before approaching Italian Government they would be glad to know urgently whether M. Barthou's views were confirmed by his Government and also whether French Government would approve statement on subject in House of Commons on July 13.	829
495	To SIR E. DRUMMOND Rome No. 620	July 11	Records conversation with Signor Grandi regarding proposed Eastern Pact: hope expressed that Signor Mussolini would join with H.M.G. in encouraging formation of Pact.	830
496	To SIR E. DRUMMOND Rome Tel. No. 210	July 12	Instructions to inform Signor Mussolini of agreement of H.M.G., as result of M. Barthou's visit to London, to recommend to German and Polish Governments French proposals for Eastern Locarno Treaty (text of which is contained in No. 492) and to express hope that Italian Government will indicate their approval and co-operation.	831
497	To SIR E. PHIPPS Berlin Tel. No. 125	July 12	Instructions to see M.F.A. immediately and inform him of result of conversations with M. Barthou regarding proposed Eastern Locarno Pact and express hope of H.M.G. that German Government will do all in their power to secure success of negotiations and participate in Pact.	833
498	SIR E. PHIPPS Berlin Tel. No. 188	July 12	Reports information from General von Blomberg that Chancellor will tell whole truth in Reichstag on July 13 about recent events: absolute proof existed of a Röhm-Schleicher plot and stern measures had been essential to avoid civil war.	834
499	SIR E. PHIPPS Berlin Tel. No. 190	July 12	Refers to No. 497 and reports conversation with M.F.A. when communication referred to was made to him: summarizes first reactions of Baron von Neurath which were definitely unfavourable.	835
500	SIR E. PHIPPS Berlin Tel. No. 164 Saving	July 12	Refers to No. 497 and reports statement in 'Frankfurter Zeitung' regarding proposed Eastern Pact which appears to reflect view in departmental circles.	835
501	SIR E. DRUMMOND Rome Tel. No. 203	July 13	Refers to No. 496 and reports interview with Signor Mussolini who at first suggested that Secretary of State should postpone his statement in House of Commons until after Herr Hitler had made his Reichstag speech: on being informed of impossibility of postponement Signor Mussolini accepted position and gave his views on Pact which he hoped Germany would accept: transmits text of passage respecting Italian attitude for insertion in Secretary of State's statement.	837

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
502	MR. KNATCHBULL- HUGESSEN Riga Tel. No. 90	July 13	Refers to Nos. 492, 496 and 497 and reports reply given to Latvian Government who asked for information regarding Eastern Pact proposals discussed with M. Barthou and attitude of H.M.G. to these proposals: their own attitude appears to resemble that of H.M.G.	838
503	SIR W. ERSKINE Warsaw Tel. No. 37	July 13	Reports conversation with M.F.A. regarding M. Barthou's visit to London to explain proposals for Eastern Pact and hope of H.M.G. that Poland would adhere to it: M. Beck stated that position so far as Poland was concerned was as he had already described it (see No. 484): doubts whether more definite reply will be received for some time if at all.	839
504	TO SIR E. PHIPPS Berlin Tel. No. 131	July 14	Records conversation with Counsellor of German Embassy regarding proposed Eastern Pact of Mutual Guarantee and explanatory information given to Counsellor with request to impress it on his Government.	840
505	SIR E. PHIPPS Berlin Tel. No. 166 Saving	July 14	Refers to No. 499 and reports precisely action taken on instructions contained in No. 497.	842
506	MR. KNATCHBULL- HUGESSEN Riga No. 300	July 14	Reports information from Secretary-General of Ministry of Foreign Affairs and Lithuanian colleague regarding results of 'preliminary' Baltic States Conference at Kovno: principles of community of interests and co-operation established and number of articles initialled for eventual inclusion in contemplated treaty.	842
507	TO MR. KNATCHBULL- HUGESSEN Riga Tel. No. 55	July 16	Refers to No. 502: instructions to explain to Latvian Government that H.M.G. have agreed to recommend proposals for Eastern Pact of Mutual Guarantee to German and Polish Governments and would be glad to see Latvian Government and Governments of other Baltic States support negotiations and participate.	843
508	TO SIR G. CLERK Paris Tel. No. 62 Saving	July 17	Refers to Nos. 481 and 486 respecting certain juridical points arising out of proposed Eastern Pact and transmits explanation to be given to M. Léger regarding statement that decision whether or not to include in Treaty definition of aggressor must be left to parties to Treaty.	844
509	MR. KNATCHBULL- HUGESSEN Riga Tel. No. 91	July 18	Reports information from Secretary-General of Latvian Ministry of Foreign Affairs that Esthonian M.F.A. is visiting Moscow on July 28 and 29 and that Lithuanian M.F.A. will go there few days later: Secretary-General gave reason why Latvian Government had received no invitation which in any case they would have been forced to refuse.	844

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
510	To VISCOUNT CHILSTON Moscow No. 352	July 18	Records conversation with Soviet Ambassador regarding Anglo-Soviet relations, British policy in Far East, question of U.S.S.R.'s entry into League of Nations and proposed Eastern Pact: M. Maisky appeared to intimate that settlement of Lena Goldfield question would be forthcoming shortly.	845
511	MR. EDEN Foreign Office	July 18	Records conversation with Mr. Hugh Wilson regarding proposed Eastern Pact: Mr. Wilson suggested that it might be hinted to Germans that they should reply to H.M.G.'s representations regarding Pact to effect that they were prepared to discuss negotiation of Pact <i>pari passu</i> with discussion of practical recognition of their equality of rights.	848
512	SIR E. PHIPPS Berlin Tel. No. 195	July 19	Reports information that Chancellor is very hostile to proposed Eastern Pact and probably will ultimately reject it: meanwhile M.F.A. has been authorized to publish statement on subject at early date and to prepare certain questions asking for further explanation in order to gain time: Herr Hitler has instructed Baron von Neurath to ascertain, if possible, reason for Italy's <i>volte-face</i> .	849
513	To VISCOUNT CHILSTON Moscow Tel. No. 76	July 19	States that Soviet Ambassador informed Sir R. Vansittart on July 19 that his Government endorsed view of H.M.G. that French guarantee in respect of proposed Eastern Pact and Russian guarantee in respect of Treaty of Locarno should be twofold, i.e. also applicable to Germany.	849
514	MR. KNATCHBULL- HUGESSEN Riga Tel. No. 92	July 19	Refers to No. 507 and reports action taken: summarizes information received from Latvian Secretary-General defining Latvia's position <i>vis-d-vis</i> proposed Eastern Pact: Secretary-General added that interest of Latvia would sink to a minimum if German participation in such a Pact were not realized.	849
515	SIR E. PHIPPS Berlin Tel. No. 171 Saving	July 19	Refers to No. 512 and reports further information regarding conversation between Chancellor and M.F.A. on July 16 concerning proposed Eastern Pact: Herr Hitler objected to Pact on several grounds and declared that unless Baron von Neurath could produce very strong reasons to contrary he would ultimately reject proposals: he instructed M.F.A. to ascertain how far British public opinion supported H.M.G. in their Pact policy.	850
516	To SIR E. PHIPPS Berlin No. 787	July 19	Records conversation with German Ambassador regarding proposed Eastern Pact: Herr von Hoesch elaborated views of his Government to which Secretary of State replied in detail explaining objects of proposed Pact.	852



NO. AND NAME	DATE	MAIN SUBJECT	PAGE
517 SIR E. DRUMMOND Rome No. 638	July 19	Reports conversation on July 17 with French colleague regarding attitude of Poland and Italy towards proposed Eastern Pact and with Polish colleague on July 18 regarding prospects of Pact, Italian attitude and reasons for Polish attitude towards Pact.	855
518 To SIR E. DRUMMOND Rome Tel. No. 230	July 21	Instructions to keep in close touch with Signor Mussolini regarding Eastern Pact in view of probability that German Government will try to persuade Italian Government to abandon their approval of Pact.	857
519 SIR W. ERSKINE Warsaw No. 319	July 21	Transmits memorandum from Military Attaché regarding attitude of Polish Government towards Disarmament Conference and regarding Polish military policy in its bearing on proposed Eastern Pact: agrees with Colonel Connal Rowan's views as to Polish objections to possible entry into Polish territory of German or Russian troops, but hesitates to endorse his opinion that rearmament of Germany, which acceptance of Pact would entail, would not influence Poland's decision.	858
520 SIR W. ERSKINE Warsaw Tel. No. 41	July 23	Reports that French colleague's impressions regarding Polish attitude to Eastern Pact are in general similar to his own: gives reasons for considering that in speaking to French Ambassador M. Beck deliberately misinterpreted British communication.	862
521 To MR. KNATCHBULL- HUGESSEN Riga Tel. No. 60	July 23	Refers to No. 514 and explains circumstances in which H.M.G. gave their approval to proposed Eastern Pact.	863
522 To SIR G. CLERK Paris Tel. No. 111	July 23	Instructions to represent to French Government desirability of giving to all Governments concerned details of proposed Eastern Pact with latest modifications in view of doubt respecting precise nature of scheme.	863
523 MR. MURRAY Rome Tel. No. 211	July 23	Refers to No. 518 and reports information from Baron Aloisi regarding his conversation with German Ambassador on July 20 concerning proposed Eastern Pact: Baron Aloisi foresaw German opposition to Pact would not be overcome without difficulty and delay and he was disposed to think that Poles would stand out until Germany showed definite signs of an intention to come into line.	864
524 MR. HADOW Vienna Tel. No. 86	July 25	Reports that soon after midday Radio Station, Vienna, announced that Dr. Doll-full had resigned and apparently that Herr Rintelen would take his place: reliable journalists state that Radio Station	864

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
		was rushed by Nazis and news sent out before station could be reoccupied by troops: similar attempt to seize Federal Chancery unsuccessful: ten dead: outwardly all is calm and 'putsch' has seemingly failed.	
525 Mr. HADOW Vienna Tel. No. 87	July 25	Reports that in <i>coup de main</i> on Federal Chancery Nazis succeeded in making prisoner Chancellor, Major Fey and Herr Karwinsky who are still guarded in Ministry by rebels, the Ministry being surrounded by Heimwehr: Chancellor believed to be wounded and that as condition of release of himself and his Ministers he has agreed to resign: Chief of Police at Innsbruck shot dead but situation there reported to be quiet.	865
526 Mr. HADOW Vienna Tel. No. 88	July 25	Refers to No. 525 and reports that rebel band holding Ministry of Foreign Affairs surrendered evening of July 25: Major Fey and Herr Karwinsky free but Dr. Dollfuss dead: President has appointed Herr Schuschnigg head of Government until return of Prince Starhemberg.	865
527 Mr. NEWTON Berlin No. 881	July 25	Reports various features of reorganization of Nazi party which has been going on during last three years.	866
528 Mr. HADOW Vienna Tel. No. 89	July 26	Transmits gist of official version of events of July 25 given verbally to Diplomatic Corps by Ministers Schuschnigg and Fey: in reply to question as to validity of guarantee of safe conduct for insurgents now that Chancellor had died, Herr Schuschnigg replied that Cabinet were still debating point.	867
529 Mr. NEWTON Berlin Tel. No. 201	July 26	Reports that German Government have given orders for arrest of Austrian revolutionaries who cross frontier and that German Minister in Vienna has been recalled: announced that M.F.A. has telegraphed sympathy of German Government at death of Dr. Dollfuss to Austrian Government.	868
530 Sir E. DRUMMOND Rome Tel. No. 215	July 26	Reports that Italian press are unanimous in their condemnation of murder of Austrian Chancellor and openly attribute responsibility to National Socialist Germany: official circles consider that Nazi party will not relax their efforts to promote 'Anschluss' by any means and are anxiously considering what action could be taken by Great Powers to defeat Nazi aims.	869
531 To Mr. HADOW Vienna Tel. No. 53	July 26	Transmits text of statement made in House of Commons by Secretary of State on July 26 regarding tragic events which took place in Vienna on July 25 culminating in death of Dr. Dollfuss.	870

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
532	To MR. MURRAY Rome Tel. No. 236 To SIR G. CLERK Paris Tel. No. 115	July 26	Instructions to communicate text of statement contained in No. 531 to Government to which accredited.	871
533	MR. MURRAY Rome Tel. No. 216	July 26	Refers to No. 530 and transmits text of communiqué issued to press stating that at first announcement of assassination of Dr. Dollfuss, movements of land and air armed forces were ordered towards Brenner and Carinthia frontier districts.	871
534	SIR G. CLERK Paris Tel. No. 213 Saving	July 26	Refers to No. 522 and reports conversation with M. Léger who gave details of action taken by French Government <i>vis-à-vis</i> Baltic States Governments and German Government to make proposed Pact more acceptable to them: M. Léger stated that Polish Government were endeavouring to wreck plan by proposing its extension, in particular to Roumania.	872
535	SIR G. CLERK Paris Tel. No. 214 Saving	July 26	Refers to No. 522 and reports that he has no doubt that French Government will conform to view of H.M.G. as regards any attempt to include a definition of the aggressor in proposed Eastern Pact.	873
536	MR. HADOW Vienna No. 145	July 26	Reports in detail events of July 25 which culminated in death of Dr. Dollfuss: Government still undecided as to fate of prisoners.	873
537	MR. CAMPBELL Paris	July 26	Letter to Sir R. Vansittart reporting conversation with M. Léger who drew attention to danger of German-Soviet alliance if proposed Eastern Pact did not materialize and said that French Government had information that Berlin was preparing to make overtures at Moscow: M. Léger explained why, in his view, Soviet might suddenly be open to German blandishments and said that France would soon have to call on Poland for definite answer one way or the other.	875
538	MR. SARGENT Foreign Office	July 27	Minute recording conversation with Signor Vitetti who stated that he had been instructed to reassure H.M.G. regarding Italian military movements on Austrian frontier which had been carried out as purely precautionary measure: Signor Vitetti outlined message he proposed to send to his Government regarding effect on British public opinion if special military measures were maintained, now that situation in Austria had been more or less re-established.	877
539	MR. MURRAY Rome No. 670	July 27	Refers to No. 532 and reports conversation with Signor Suvich regarding events in Austria: latter stated that certain amount of fighting still going on in Carinthia, but that he thought Government had it well in hand: Signor Suvich seemed upset over	877

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
		acquiescence of Austrian Government to appointment of Herr von Papen as German Minister at Vienna: he did not know who was going to succeed to Chancellorship but hoped it would be Prince Starhemberg.	
540 MR. NEWTON Berlin Tel. No. 206	July 28	Refers to No. 529 and transmits text of very tendentious communiqué regarding situation in Austria issued on July 25 by Deutsches Nachrichten Bureau bearing time 8.14 p.m. and withdrawn hour and a half later and publication prohibited.	879
541 SIR W. SELBY Vienna Tel. No. 94	July 28	Reports that agreement has been reached between Herr Schuschnigg and Prince Starhemberg by which they are to divide all portfolios between present Cabinet except Ministry of Agriculture: Austrian Government reported to have rejected Italian offer of military assistance on July 27.	879
542 MR. KNATCHBULL- HUGESSEN Riga Tel. No. 104	July 29	Refers to proposed Eastern Pact and reports desire of Latvian Government for information whether H.M.G., as well as French Government, would participate in consultations envisaged in certain circumstances: principle on which consultations provided for in French proposal not altogether agreeable to Baltic States who would like to see consultations at earlier stage than 'attack or threat of attack'.	880
543 SIR W. SELBY Vienna Tel. No. 98	July 30	Refers to No. 541 and reports that appointment of Herr Schuschnigg as Chancellor seems to be thought best in present circumstances: summarizes questions raised at meeting of Little Entente on July 30 at which French Minister was present: <i>agrément</i> to appointment of Herr von Papen as German Minister likely to be given in few days: organized resistance of Nazis in Austria appears to have broken down and order is being restored.	880
544 To MR. CAMPBELL Paris	July 30	Letter from Sir R. Vansittart acknowledging No. 537 and commenting on possibility of old relations between Russia and Germany being renewed.	881
545 To MR. KNATCHBULL- HUGESSEN Riga Tel. No. 63	July 31	Refers to No. 542: instructions to inform Secretary-General of Ministry of Foreign Affairs that if Latvian Government have any representations to make respecting proposed Eastern Pact, they should address themselves to its authors and not to H.M.G.: Latvian Minister has been informed, in answer to enquiry whether H.M.G. would, if invited, agree to be represented by an observer at negotiations for drafting Pact, that they cannot define their attitude at present stage.	882

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
546	To MR. MURRAY Rome Tel. No. 244	July 31	Transmits text of personal message to be delivered to Signor Mussolini recording sympathy with which his (Signor Mussolini's) policy and declarations in connexion with recent events in Austria have been received in United Kingdom: hope expressed that Italian Government and H.M.G. will continue to co-operate on basis of joint declaration of February 17 and will take counsel together in regard to Austrian problem so as to avoid any danger of misunderstanding or divergent policy.	882
547	SIR G. CLERK Paris Tel. No. 217 Saving	July 31	Reports press comments on debate on air armaments in House of Commons on July 30 and in particular on Mr. Baldwin's declaration regarding England's frontier being the Rhine.	883
548	SIR G. CLERK Paris Tel. No. 218 Saving	July 31	Reports conversation with M. Léger regarding situation in Austria: M. Léger said first needs were (a) to inspire Austria with courage to continue struggle for maintenance of her independence, and (b) to restrain Italy from isolated action, and then went on to develop his views regarding best manner in which points could be achieved.	884
549	SIR W. ERSKINE Warsaw Tel. No. 17 Saving	July 31	Reports conversation with M. Beck regarding results of his visits to Tallinn and Riga: M.F.A. said that he had discussed proposed Eastern Pact and had received impression that Estonia and Latvia were very apprehensive of being used as pawns in a combination over policy of which they could exercise no control and were also very apprehensive of M. Litvinov's real intentions: M. Beck was less critical than formerly in speaking of Pact which, he said, was being carefully examined.	885
550	MR. NEWTON Berlin	July 31	Letter to Mr. Sargent communicating information received regarding circumstances of Herr von Papen's appointment to Vienna: according to informant Herr von Papen's appointment is intended to represent complete change in Austro-German relations and in Germany's internal policy as well.	886
551	To SIR G. CLERK Paris Tel. No. 122 To VISCOUNT CHILSTON Moscow Tel. No. 90	Aug. 1	Instructions to communicate contents of No. 552 to French (Soviet) Government and express hope that no time will be lost in urging opening of negotiations.	888
552	To MR. NEWTON Berlin Tel. No. 151 To SIR W. ERSKINE Warsaw Tel. No. 59	Aug. 1	Instructions regarding action to be taken should German (Polish) replies be received to representations made to them regarding proposed Eastern Pact.	888

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
553 To SIR G. CLERK Paris No. 1169	Aug. 1	Records conversation with French Ambassador regarding German Government's misunderstanding or misrepresentation of terms of proposed Eastern Pact.	889
554 MR. NEWTON Berlin No. 908	Aug. 1	Reports press comments on debate in House of Commons on July 30 on air policy and Mr. Baldwin's statement that England's frontier was on the Rhine.	890
555 MR. NEWTON Berlin Tel. No. 217	Aug. 2	Reports announcement broadcast on August 2 that German Government had combined offices of President and Chancellor of Reich in person of Adolf Hitler. Note 1. Berlin Tel. No. 216 of August 2 had reported death of President Hindenburg.	891
556 To SIR G. CLERK Paris Tel. No. 71 Saving To SIR E. DRUMMOND Rome Tel. No. 250	Aug. 2	States that Austrian Minister has formally expressed desire of his Government to prolong for further year permission granted in September 1933 to recruit drafts of 8,000 volunteers for six months' service in order to maintain Austrian army at treaty level of 30,000: instructions to inform French (Italian) Government that, if they concur, H.M.G. propose to reply that they agree to extension.	891
557 MR. PALAIRET Bucharest Tel. No. 85	Aug. 2	Refers to enquiry regarding effect of proposed Eastern Pact upon scheme for Russo-Polish-Roumanian guarantee Pact agreed upon at Geneva but not yet signed, and reports information from M. Titulescu that situation has been modified by French scheme, Polish Government having expressed wish to Roumanian Government that Roumania should join in Eastern Pact: Roumanian Government have agreed and formal request has been made at Paris for inclusion of Roumania.	892
558 SIR G. CLERK Paris Tel. No. 220 Saving	Aug. 2	Refers to No. 551 and reports conversation with M. Léger when communication made to him as instructed: summarizes observations of M. Léger regarding opening of negotiations, French attempts to secure definite answer from Polish Government, M. Litvinov's desire to expedite matters and his decision to apply for Russia's admission to League of Nations.	892
559 SIR G. CLERK Paris Tel. No. 223 Saving	Aug. 2	Refers to No. 558 and transmits further details of instructions sent to French Ambassador in Warsaw in endeavour to obtain definite answer from Polish Government.	894
560 To SIR G. CLERK Paris Tel. No. 125	Aug. 3	Refers to No. 548 and records conversation with French Ambassador who suggested that representatives of British and French Embassies in Rome should constitute, with an Italian representative, a standing consultative body for exchange of information about Austria: M. Corbin informed that	895

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
		in H.M.G.'s view situation would be met by instructions to French and British Ambassadors to keep in constant touch with Signor Suvich concerning matter and that instructions to this effect had already been sent to H.M. Ambassador in Rome.	
561 To Mr. MURRAY Rome Tel. No. 252	Aug. 3	Refers to No. 560: instructions to inform Signor Suvich of instructions to keep in close and constant touch with him with view to exchange of information about Austria.	896
562 VISCOUNT CHILSTON Moscow Tel. No. 107	Aug. 3	Refers to No. 551 and reports that message has been conveyed to M. Litvinov: latter indicated that adherence of Baltic States though not of Finland had been secured: negotiations could not begin until it was known who were to be parties to Pact, but U.S.S.R. was ready to be put up for League in September.	896
563 SIR W. SELBY Vienna Tel. No. 20 Saving	Aug. 3	Discusses political situation in Austria and suggests policy to be adopted by Powers with view to stabilizing country.	897
564 To Mr. CAMPBELL Paris	Aug. 3	Letter from Mr. Wigram referring to No. 559 and criticizing way in which M. Léger proposes to tackle Poles regarding adherence to Eastern Pact: transmits Foreign Office memorandum on what are thought to be real Polish objections to Pact.	898

## CHAPTER IX

### Correspondence with the United States Government regarding British War Debts (February 3–June 26, 1934)

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
565 SIR R. LINDSAY Washington Tel. No. 51	Feb. 3	Reports that Senator Johnson's Bill prohibiting loans to Governments who default on their obligations to U.S. Government was passed by Senate on February 2: Reconstruction Finance Corporation exempted from Bill so that advances to Soviet Union could be made: points out that no differentiation made in Bill between countries making token payments and others.	902
566 SIR R. LINDSAY Washington Tel. No. 54	Feb. 5	Refers to No. 565 and reports representations made to U.S. Secretary of State regarding effect of Bill on war debts question: U.S. Secretary of State said that he would communicate at once with Foreign Affairs Committee of House of Representatives with view to suspending any immediate action on Bill: asks for instructions.	902

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	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
567	To SIR R. LINDSAY Washington Tel. No. 47	Feb. 7	Approves action taken in No. 566 and transmits views of H.M.G. regarding Johnson Bill.	903
568	SIR R. LINDSAY Washington No. 318	Mar. 14	Recapitulates four incidents relating to intergovernmental debts which have occurred since beginning of year: discusses President's efforts to avoid giving message on debts and on controversy over Johnson Bill which has been reported out by House Committee.	904
569	SIR R. LINDSAY Washington No. 351	Mar. 22	Refers to No. 568 and reports that Johnson Bill as now amended refers only to intergovernmental debts: President has expressed personal view that Governments who have made token payments are not to be regarded as in default, but Congress have expressed no such opinion: comments on special position of Soviet Union and summarizes conversation with Mr. Phillips respecting intergovernmental debts.	906
570	SIR R. LINDSAY Washington Tel. No. 106	Mar. 24	Reports announcement in press that Treasury has ruled that in view of expected imminence of passage of Johnson Bill, U.S. banks are not to participate in Dutch Syndicate loan to France.	907
571	SIR R. LINDSAY Washington Tel. No. 115	Apr. 5	Reports that Johnson Bill has been passed by House of Representatives and now only requires President's signature to become law: comments on two points which arose in debate: (1) applicability of Bill to Governments making token payments, and (2) position of Soviet Government.	908
572	SIR R. LINDSAY Washington Tel. No. 116	Apr. 5	Refers to No. 571: recommends that H.M.G. suspend any action with regard to Bill until it has been signed by President: possible that he may address message to Congress which will clarify situation.	909
573	SIR R. LINDSAY Washington Tel. No. 122	Apr. 14	Reports that Johnson Bill was signed by President on April 13 and has now become law: question of Governments making token payments to be taken up by U.S. Secretary of State with legal authorities of Government, but statement by him in immediate future is not to be expected.	909
574	SIR R. LINDSAY Washington Tel. No. 125	Apr. 19	Reports conversation with U.S. Secretary of State regarding position of token-paying Powers and reply of latter to question regarding reversal of Administration's policy: considers present situation has arisen as result of existing confusion and incompetence and that no definite plan of procedure exists.	909
575	SIR R. LINDSAY Washington Tel. No. 131	Apr. 24	Discusses debt situation and advocates further but final payment pending discussion of matter by U.S. Government and H.M.G.: suggests that, in order to help H.M.G. to formulate their plans, he might be instructed to request audience	910



NO. AND NAME	DATE	MAIN SUBJECT	PAGE
		of President and enquire of him why Johnson Bill had received backing of Administration.	
576 SIR R. LINDSAY Washington Tel. No. 134	Apr. 26	Refers to No. 575 and outlines arguments in favour of making one further payment in respect of debt which would be final pending revision: suggests minimum sum of 20 million dollars.	911
577 To SIR R. LINDSAY Washington Tel. No. 113	Apr. 30	Refers to No. 575 and transmits H.M.G.'s views on situation: not in favour of official enquiry of President as suggested: factor in easing situation might be some new and satisfactory pronouncement by President, but present policy of H.M.G. is to leave solution to be decided in light of position at beginning of June: requests considered review of situation towards end of May.	912
578 To SIR R. LINDSAY Washington Tel. No. 114	May 1	Refers to No. 576 and states that arguments advanced therein do not alter views expressed in No. 577.	914
579 SIR R. LINDSAY Washington Tel. No. 139	May 3	Refers to Nos. 577 and 578: reiterates views as to why final payment should be made and discusses opinion in United States regarding matter.	914
580 SIR R. LINDSAY Washington Tel. No. 144	May 6	Reports that State Department has issued opinion of Attorney-General on bearing of Johnson Act: seven questions asked and answers quoted in full: summarizes answer to first question which asks what Governments are in default on their obligations to U.S. Government: Attorney-General concludes that at present H.M.G. are not in default.	916
581 SIR R. LINDSAY Washington Tel. No. 146	May 10	Refers to No. 580 and reports that war debt situation is now very confused: reports speech by Senator Johnson in Senate and summarizes press reports which include suggestion that President will offer Finnish terms to all debtor nations: considers President has come to no final decision but is sending up trial balloons to see what reaction will be: feeling in Senate running strong against any concessions.	918
582 To SIR R. LINDSAY Washington Tel. No. 126	May 10	Refers to No. 579 and states that opinion of Attorney-General on effect of Johnson Bill and report of President's intention to ask Congress to give him power to conclude general settlement on lines of proposed terms for Finland have altered situation: in circumstances H.M.G. would be prepared to make one more token payment.	919
583 SIR R. LINDSAY Washington Tel. No. 150	May 11	Refers to No. 582 and reports conversation with Mr. Phillips regarding future of token payment system: Mr. Phillips, in reply to question regarding Finnish settlement and its applicability to other debtor Governments, said that President had not yet decided definitely what he would do concerning matter.	920

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
<b>584</b> SIR R. LINDSAY Washington Tel. No. 152	May 11	Refers to No. 583 and reports 'The Times' correspondent's account of President's press conference on May 11 at which nothing particular transpired: President in reply to question regarding 'tokens' said he had nothing to say; he also stated that he refused to enter into general conference with debtors but was always ready to treat with them individually.	922
<b>585</b> SIR R. LINDSAY Washington Tel. No. 154	May 13	Refers to No. 583 and reports information from Czech colleague regarding his discussions with State Department whether under Johnson Act and Attorney-General's opinion partial payments would as heretofore exempt paying Governments from default: persistent suggestions circulating that French Government are thinking of now putting in some partial payment: comments on possibility that message to Congress will be delayed.	922
<b>586</b> To SIR R. LINDSAY Washington Tel. No. 129	May 15	Refers to Nos. 583 and 584 and discusses alternatives open to H.M.G., viz. either to continue token payments or to suspend payments entirely: instructions to seek personal interview with President and put views of H.M.G. before him.	924
<b>587</b> SIR R. LINDSAY Washington Tel. No. 156	May 16	Refers to No. 586 and reports conversation with Mr. Norman Davis during which latter put forward suggestion that H.M.G. might continue token payments even though declared in default, or make one more large payment to preserve good will and keep question open: considers Mr. Davis's visit was made with President's approval and that suggestion was more or less inspired by him.	925
<b>588</b> SIR R. LINDSAY Washington Tel. No. 158	May 18	Reports interview with President on May 17 in course of which President gave his views on question of token payments and how to deal with situation which would be created by default: with view to conserving Anglo-American friendship he thought H.M.G. should be prepared to make some payment on June 15 by way of keeping door open: President also made suggestions for Note which H.M.G. would have to address to U.S. Government regarding situation.	926
<b>589</b> SIR R. LINDSAY Washington Tel. No. 162	May 23	Refers to No. 583 and reports information from U.S. Under Secretary of State that, according to ruling he had received from Attorney-General, it would not be necessary for a debtor Government in order to avoid default to pay up on June 15 arrears of two last instalments on which token payments had been made: President likely to send his debt message in by end of week.	928

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
590	SIR R. LINDSAY Washington Tel. No. 166	May 25	Message for Sir F. Leith-Ross reporting information received from Mr. Phillips regarding probable nature of President's message to Congress and commenting thereon.	929
591	SIR R. LINDSAY Washington Tel. No. 168	May 25	Transmits terms of formal request for payment due on June 15.	929
592	SIR R. LINDSAY Washington Tel. No. 170	May 28	Reports that President's message may be expected at any moment; suggests that action to be taken on instructions which may be sent regarding Note to be submitted to U.S. Government should be delayed until contents of message known to Foreign Office.	930
593	To SIR R. LINDSAY Washington Tel. No. 140	May 30	States that following telegram contains text of Note on War Debts as approved by Cabinet and requests any comments or suggestions; enquires whether Sir R. Lindsay considers it desirable that gist of Note should be communicated privately to President before it is delivered and indicates alternative dates for delivery of Note and publication of White Paper.	931
594	To SIR R. LINDSAY Washington Tel. No. 141	May 30	Refers to No. 593 and transmits text of Note referred to therein.	931
595	SIR R. LINDSAY Washington Tel. No. 176	May 31	Acknowledges No. 594 and reports that few amendments will be submitted in separate telegram; considers it is far from certain that President will send his message to Congress on June 1; deprecates communication of substance of Note to President beforehand and unless otherwise instructed proposes to present Note in afternoon of June 4 and to arrange for publication in United States on morning of June 5.	936
596	SIR R. LINDSAY Washington Tel. No. 177	May 31	Refers to No. 595 and transmits amendments proposed to draft Note (No. 594).	936
597	To SIR R. LINDSAY Washington Tel. No. 150	June 1	Refers to No. 596; agrees with certain amendments suggested and indicates other alterations to draft Note.	937
598	SIR R. LINDSAY Washington Tel. No. 180	June 1	Refers to No. 593 and reports that President's message was sent to Congress on June 1; summarizes contents.	938
599	SIR R. LINDSAY Washington Tel. No. 183	June 1	Considers that President's message does not necessitate any serious revision of H.M.G.'s Note but proposes amendment to paragraph 8: intends to arrange details regarding delivery of Note and publication with Mr. Phillips on June 3 and will telegraph result.	939
600	SIR R. LINDSAY Washington Tel. No. 184	June 1	Refers to No. 597 and suggests further amendments to draft Note (No. 594).	940
601	To SIR R. LINDSAY Washington Tel. No 154	June 2	Refers to No. 599 and states that reply will be sent on June 4: comments on amendments suggested in No. 600.	940

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
602	To SIR R. LINDSAY Washington Tel. No. 155	June 4	Refers to No. 599 and transmits further amendments to be made to draft Note. Note 3. Note as finally amended delivered by Sir R. Lindsay on June 4.	941
603	SIR R. LINDSAY Washington Tel. No. 193	June 12	Refers to No. 594 and transmits reply dated June 12 received from U.S. Government to Note addressed to them.	942
604	To MR. OSBORNE Washington Tel. No. 175	June 23	States that immediately following telegram contains Note addressed to U.S. Government on debt question which as at present contemplated should be handed to U.S. Government on June 27 and published on June 28; any verbal alterations or emendations considered desirable should be telegraphed at once.	944
605	To MR. OSBORNE Washington Tel. No. 176	June 23	Transmits text of Note referred to in No. 604.	944
606	MR. OSBORNE Washington Tel. No. 214	June 23	Refers to No. 605 and suggests amendments to draft Note.	945
607	To MR. OSBORNE Washington Tel. No. 177	June 26	Refers to No. 606 and transmits certain amendments to be made in text of draft Note.	946
608	To MR. OSBORNE Washington Tel. No. 178	June 26	Refers to No. 607: instructions to present Note to State Department early on June 27 so that it may be released for publication on June 28; Note will be published in United Kingdom on same date.	946

## APPENDIXES

- I. Foreign Office Memorandum of November 21, 1933, on the disarmament negotiations. 947
- II. Additional correspondence on the internal situation in Germany, December 1933-July 1934. 952
- III. Memorandum of April 7, 1934, by Sir R. Vansittart on the future of Germany. 975
- IV. Additional correspondence relating to the assassination of Dr. Dollfuss. 991



## CHAPTER I

# The Disarmament Conference after the German withdrawal: discussions with the French and Italian Governments with regard to the German demands: Sir J. Simon's and Mr. Eden's conversations at Geneva

(November 1–22, 1933)

### No. 1

*Sir R. Lindsay (Washington) to Sir J. Simon (Received November 2, 9.30 a.m.)  
No. 588 Telegraphic [C 9560/653/18]*

WASHINGTON, November 1, 1933, 6.10 p.m.

Your telegram No. 434.<sup>1</sup>

Following is the gist of memorandum received from State Department:

1. In exports United States Government distinguish between civil and military aircraft, the latter comprising those fitted with armour, guns, machine guns, gun mountings, bomb-dropping or other military devices, and any others believed with definite reason to be intended for military purposes.

2. United States Government have never disapproved of export of civil aircraft to Germany, nor would do so unless they believed they were destined for use by German armed forces, including police.

3. Article 1 of United States–German Treaty restoring friendly relations<sup>2</sup> guarantees to United States all rights stipulated in Treaty of Versailles. United States Government would therefore consider importation of military aircraft into Germany or possession of such aircraft by German armed forces (which would contravene Article[s] 170 and 198 of the latter Treaty) as infractions of United States Treaty rights.

4. United States Government are unaware that any aeroplanes have recently been exported to Germany. During the present year thirty aeroplane engines have been exported. This has not been disapproved since engines have no military characteristics and there is no evidence that they are to be used by armed forces.

5. United States Government were informed on August 31 that European representative of an American manufacturer had been asked by German Government whether a fighting aeroplane could be purchased here for police purposes. Secretary of State replied that United States Government

<sup>1</sup> See Volume V of this Series, No. 461.

<sup>2</sup> This Treaty of 1921 is printed in *British and Foreign State Papers*, vol. 114, pp. 828–31.

would gravely disapprove such export, and discreet steps have since been taken for closer supervision of exports of aircraft to Germany.

6. United States Government could not consider favourably proposal to request German Government to furnish suggested written assurances. Secretary of State believes, however, that above procedure conforms in all essentials with that of His Majesty's Government and that it will accomplish the purpose in view.

Text<sup>3</sup> by bag.

<sup>3</sup> Not printed. This memorandum of October 27 is printed in *Foreign Relations of the United States, 1933*, vol. II, pp. 490-1.

## No. 2

*Sir E. Phipps (Berlin) to Sir J. Simon (Received November 3, 4.40 p.m.)*  
*No. 248 Telegraphic [C 9614/319/18]*

BERLIN, November 3, 1933, 4.40 p.m.

Government are redoubling their energy and pursuing their extraordinary election campaign with as much vigour as if the opposition parties existed. Speeches by prominent members of the Government are being delivered and broadcasted daily all over the country. Chancellor is concentrating on two points—Treaty of Versailles, and his alleged success in dealing with unemployment.

At Weimar he declared day of disgrace, November 11, 1918, would be now wiped out and replaced by day of honour, November 12, 1933.

Commander-in-Chief of Reichswehr, General von Blomberg, has now joined in the campaign. In 'Börsen Zeitung' he appeals on behalf of the army to the electorate to insist that 'the German soldiers [*sic*] be given arms, without which he cannot maintain peace, the arms which he requires for defence of the home country'. Anyone who fails to vote for that is a traitor to Germany.

Von Papen makes a strong appeal to all Catholics.

The whole of the country is being systematically whipped up to state of frenzied enthusiasm.

## No. 3

*Lord Tyrrell (Paris) to Sir J. Simon (Received November 4)*  
*No. 264 Saving: Telegraphic [W 12569/40/98]*

PARIS, November 3, 1933

1. The approaching debate in the House of Commons' tempts me to submit my appreciation of the situation here as regards disarmament, in so far as I

<sup>1</sup> On November 7. See Parl. Deb., 5th ser., H. of C., vol. 281, cols. 41-161.

can form it without having as yet been able to establish close contact with the Government of M. Sarraut.<sup>2</sup> It is unlikely, however, that its views will differ materially from those of its predecessor.

2. You will recollect that at the meeting of Ministers at His Majesty's Embassy on September 22<sup>3</sup> M. Daladier, after enumerating the concessions which his Government was prepared to make as a contribution to an agreed convention, indicated that they were not only conditional on the acceptance by Germany of a transition period of adequate duration and the creation of a system of permanent automatic international control, but were contingent on some adequate guarantee as regards the measures to be taken in the event of the violation of the convention. M. Daladier did not specify the nature of this guarantee, nor, so far as I am aware, had the minimum French requirement in this respect been disclosed when negotiations were interrupted by Germany's withdrawal from the Conference.

3. My information (from official sources) is that the concessions, announced by M. Daladier and maintained by M. Sarraut, will remain subordinated to the above conditions, including that relating to the guarantee, and will, as was always the intention, be whittled down in proportion as the conditions fall short of their maximum realisation.

4. Mr. Norman Davis, however, tells me that his information (from indirect sources) is to the effect that the French are bluffing and that if negotiations are resumed they will at the last moment cease from pressing for any precise guarantee and will be content with some very general declaration of solidarity and moral support on the part of the signatories. He tells me that he is going to America partly because he thinks that any display of haste in making a further offer would be treated by the Germans as a sign of weakness and encourage her to increase her demands. His idea, as indicated to me in his conversation yesterday, is that on his return a convention should be negotiated which should not be pressed on Germany but merely deposited at Geneva and remain open to the signature of any Power which might desire to accede. Germany would put herself in the wrong if she held aloof, in which case of course she would remain bound by the Treaty of Versailles by her own volition.

5. Without going so far as to reject Mr. Davis's theory as regards a French bluff, I remain somewhat sceptical, for not only will the present French Government, which is not given more than a very brief life, enjoy less authority in the country than did its predecessor, but the difficulty of imposing what may be regarded as a defeatist policy will have been increased by Germany's action in withdrawing from the Conference, which is believed here to have been actuated by the prospect of general agreement on the principle of international control with [*sic* ? which] Germany, though careful not to say so while others were still hesitating, had never any intention of accepting.

6. If *my* information is correct it would be futile to pursue negotiations

<sup>2</sup> M. Sarraut had taken office on October 27.

<sup>3</sup> See Volume V of this Series, No. 406.



for a comprehensive agreement as Germany will obviously not accept less than she thought she was going to be offered when she withdrew. The spectacle of protracted negotiations terminating in failure would moreover be lamentable. In these circumstances the best we could obtain would be an agreement for the maintenance of the *status quo* subject to no further rearmament by Germany. This is the course which official circles here are favouring, both because they realise the difficulties of reaching agreement on a comprehensive scheme and because they think that, while preventing the immediate outbreak of a race in armaments, it will also preserve the solidarity among the other principal Powers to which they attach such importance. They are under no illusion that a restricted agreement on those lines, though giving a certain breathing space, could be more than ephemeral. Their main reason indeed for favouring it is doubtless the belief that if Germany continued to rearm it would finally convince world opinion of her insincerity. The obvious criticism on this plan would be that it would enable Germany to plead that it was hardly a sincere earnest of our intention to disarm.

7. If, on the other hand, *Mr. Davis's* information is right there might be, conceivably, some hope of agreement on the terms of a convention containing approximately the same concessions to Germany but presented in a different form, as suggested by Mr. Eden to M. Corbin.<sup>4</sup> If, however, this plan involved any real increase of concessions to be made by France I do not believe that any Government here could impose it at the present moment on Parliament and public opinion. If we were to press France to make additional concessions, without giving her some very specific guarantee, or, without pressing her, endeavoured subsequently to put the responsibility for failure on to her shoulders, we should be regarded, to use a commercial metaphor, as would a business man who urged his partner to take risks which he was himself unwilling to share though ready to participate in the profits if the deal came off. The argument that we have made our contribution by having already disarmed to the margin of safety falls here on deaf ears as they are incapable of believing that we should have done it had we really felt insecure.

8. If the plan for a comprehensive convention framed with a different method of presentation were to break down owing to the maintenance of the French conditions referred to above, or for other reasons, and if the idea of falling back on a restricted convention for the maintenance of the *status quo* found no favour in other quarters, only three courses would remain open to France: (i) separate military action, (ii) to fall back on her own resources and maintain at any cost whatever margin of superiority she considered necessary to ensure her security, (iii) to make a separate agreement with Germany.

9. (i) can be excluded. So long as a Government based on the present parliamentary majority is in power France will embark single-handed on no kind of military adventure, though she might (perhaps even gladly) join in a re-occupation if shared by Great Britain and Belgium.

<sup>4</sup> See Volume V of this Series, No. 509.

10. (ii) would lead to an immediate race in armaments between Germany and France which, by the process of contagion, would inevitably become general. It is the last counsel of despair.

11. (iii) The possibility of a separate Franco-German agreement has, of course, been constantly held up to us as a bogey, but I have never believed that any French Government would resort to it so long as any hope of concerted action remained. If that hope is finally destroyed, the occasion for the serious consideration of this policy will have arisen. Hitler's offer to talk with France would enable her to respond without loss of face, and there are voices which would be raised to urge that a separate agreement, which might have a chance of keeping rearmament within bounds, was better than unlimited rearmament. There is, indeed, already the nimbus of a movement in this direction originating with persons connected with the heavy industries and with those (they are numerous in the Senate) who have already lost faith in the support of Great Britain.

12. At first sight the idea has certain attractions, but I share the view of those who believe the benefit would only be of brief duration. The only agreement which in present circumstances Germany would be prepared to conclude with an isolated France would be on the basis of a substantial measure of rearmament, to which France could only agree subject to liberty on her side to maintain a constant margin of superiority. At the best it is difficult to conceive that such an agreement, apart from the objection that it would be based on an increase of armaments, would not be accompanied by continuous friction with all its concomitant risks. At the worst it would lead to a disguised race in armaments.

13. So long as any solution is open to France which will not, in her view, seriously imperil her security, she will prefer to work in concert with us. But there is a point (it is impossible to define it with exactitude) beyond which she will not go. I fully appreciate the difficulty of His Majesty's Government's position *vis-à-vis* British public opinion, and I am the last to wish to add to it. All I plead is that every effort be made to continue co-operation with France for fear of her being driven to resort to action which is bound to lead to a race in armaments, in the event of her having to face Germany by herself.

#### No. 4

*Letter from Mr. Stimson to Mr. MacDonald<sup>1</sup>*

[W 82/82/98]

WASHINGTON, November 3, 1933

My dear Mr. MacDonald:

The State Department has shown me the memorandum sent by the British Government on September 14, 1933,<sup>2</sup> as to the construction of the 10,000 ton

<sup>1</sup> Copies of this letter and of those printed as Nos. 85 and 133 were communicated to the Foreign Office by the Prime Minister on January 1, 1934.

<sup>2</sup> See Volume V of this Series, No. 392, note 2.

6-inch gun cruisers, about which you yourself spoke to me at the Hyde Park Hotel in London last September.

I am rather relieved to find that the British *aide-mémoire*, which this memorandum quotes and which I assume is the same one of which you spoke to me, does not go as far as I understood you to go in your talk with me at the Hyde Park Hotel. You spoke to me of there being some assurance, though entirely informal, that we would confer with you before proceeding with the building of these cruisers. The *aide-mémoire* says nothing of this but simply that I had said that I 'thought that in practice it was very unlikely that the United States would actually build a 6-inch gun 10,000 ton cruiser'.

In view of the importance in which, throughout the Conference, I held the right to build and to build promptly these 10,000 ton 6-inch cruisers,<sup>3</sup> I do not see how I could have said even what this *aide-mémoire* reported. I certainly have no recollection of having done so. But even so, the statement in the *aide-mémoire* is avowedly a mere statement of individual opinion and in no respect like even a moral assurance of future action by our Government as to conference.

I have now been spending a few days at my home in Washington, and I have taken the occasion to go through my diaries and papers relating to the Naval Conference of 1930 to ascertain whether there was any American record of anything taking place during that Conference relating to the building of these cruisers which could have given rise either to your impression or to the statement in the British *aide-mémoire*. I can find nothing of any sort in these records which could have given rise to such an impression. The State Department has made a similar search among its records with the same result. Neither of us can find any record of any such statement whatever. On the contrary, our records are perfectly clear that on each occasion when the subject of limiting the size of 6-inch cruisers to a tonnage below 10,000 was broached by Great Britain, it was instantly rejected by us. This happened explicitly in meetings held on January 29 and February 20. There is nothing in our *aide-mémoire* of the meeting on February 11, recited in the British memorandum, to show that the subject was broached at that meeting, but merely a record that after a discussion of the *total* tonnage of the American cruiser fleet 'the matter was dropped with the general understanding that the United States could not recede from its figures'.

Furthermore, our record shows that subsequently on February 27 when the British and American delegations, at a meeting in your office in the House of Commons, reached what was practically their final agreement on figures between their two navies, in closing this agreement:

'Mr. Stimson then said it was of course understood by the United States that Great Britain would not push its point with reference to a limitation on the unit size of 6-inch gun cruisers with respect to the United States, and the Prime Minister and the First Lord agreed, although they said

<sup>3</sup> See *Foreign Relations of the United States, 1933*, vol. I, pp. 389-95.

that they would find it essential to attempt to impose some such limitation on both France and Japan.'

I find further that as soon as I reached the United States the public hearings before the Senate Committee on Foreign Relations began, and in my public statement before that Committee I made the following statement:

'One of the reasons why the 6-inch cruisers of the past have been criticized has been that they have as a matter of history been rather smaller than the 10,000 ton 8-inch cruiser. The United States policy has always been felt to require a large cruising radius. We opposed successfully any restriction of the tonnage of even the 6-inch cruiser, and at the present time I am talking about the *unit* tonnage of each ship. *Therefore we are perfectly free to build 10,000 ton 6-inch cruisers with the full cruising radius of the 10,000 ton 8-inch cruisers if we choose to do so.*'

Subsequently during the debate on the ratification I reported to the Senate Committee in answer to their inquiry that

'there have been no concealed understandings in this matter nor are there any commitments whatever except as appear in the Treaty itself and the interpretative exchange of notes recently suggested by your Committee, all of which are now in the hands of the Senate.'

These records correspond to my own recollection. Bear in mind that the American cruiser fleet was far behind those of Britain and Japan on account of our failure to build for ten years. Bear in mind also that we had been held in the negotiations to a fleet of eighteen 10,000 ton 8-inch cruisers against the strong views of our Navy that three more of such ships were required, and that we had made this sacrifice in reliance upon the substitution of 10,000 ton 6-inch cruisers in place of the three 10,000 ton 8-inch cruisers which we had thus lost. Bear in mind further that in the Treaty we were aiming to produce a balanced fleet and that our fleet was actually sorely unbalanced by our shortage in cruisers and that for all of these foregoing reasons there was a very strong movement in the United States to bring our fleet up to Treaty strength as soon as possible.

In view of these circumstances and of these records, I could hardly have made even the statement of opinion carried in your Government's memorandum of September 14 last without deliberately deceiving you as to what was probably going to happen. This I am sure I never did and I am confident that you do not believe I could have done it.

I have gone at such length into these details because I value so highly the relations of frankness and friendship which we have established not only individually but between our Governments.

As always,

Very sincerely yours,

HENRY L. STIMSON

## No. 5

*Lord Tyrrell (Paris) to Sir J. Simon (Received November 7)*

*No. 267 Saving: Telegraphic [C 9712/245/18]*

PARIS, November 6, 1933

1. I have reason to believe that the French Government will shortly again press for an answer to their communication<sup>1</sup> asking for the observations of His Majesty's Government on the French dossier relating to the German infractions of the Treaty of Versailles. Their point of view is that they have certain evidence and we have certain evidence, and that as co-signatories of the Treaty it is obviously desirable that we should examine how far each set of evidence confirms the other and see what this process produces. They cannot understand our reluctance to respond unless we consider that the signatories of the Treaty must acknowledge their impotence in the face of German infractions, past, present and future.

2. What they really wish of course is to establish a common charge sheet to be kept in readiness for prompt use at the proper moment. Both Parliament and press, having been long aware of the existence of the French dossier, call at recurrent intervals for its production before the League of Nations or before the tribunal of world opinion on the ground that failure to do this can only lead Germany to suppose that we are afraid to call her to task and consequently encourage her to persevere in violating her engagements.

<sup>1</sup> Not printed. The dossier was communicated to the Foreign Office on August 4.

## No. 6

*Minute by Mr. Eden*

*[W 12804/40/98]*

FOREIGN OFFICE, November 6, 1933

Mr. Henderson came to see the Secretary of State and myself this morning to discuss the future work of the Disarmament Conference. Mr. Henderson said that he wished to use the interval between now and the 4th December in an attempt to agree upon the details of a convention. He emphasised that there were three points as to which it would be very helpful to him to know our attitude. They were the same three which he had often mentioned to us before: (1) Extension of 'no resort to force' to the world; (2) definition of the aggressor; (3) reservation about police bombing. Mr. Henderson proposed to take his seat in the House of Commons tomorrow, and then to leave at once for Geneva. On his way through Paris he hoped to see M. Paul-Boncour and learn more about the French intentions. Mr. Henderson also gave us a translation of a communiqué issued in Paris after Mr. Norman Davis's visit to M. Paul-Boncour.

In Mr. Henderson's list of matters yet to be agreed was included a system of penalties for the infraction of the Convention. Mr. Henderson explained that he did not want to use the word 'sanctions' on account of its unpleasant connexions, nor would he include among the penalties any form of military action, but he did think it necessary to contemplate, in the changed world which would be created were a draft Convention agreed and accepted by all, the possibility of some form of economic action were any one of its signatories to violate the undertaking given. Mr. Henderson visualised, however, that these penalties would be worked out by the Permanent Disarmament Commission subsequent to agreement upon the Convention itself.

It is clear that the British delegate will be in a position of considerable difficulty at the Bureau on the three subjects referred to at the outset. Sir William Malkin<sup>1</sup> has been at work with Mr. Dulles<sup>2</sup> of the United States delegation upon a text with reference to the definition of the aggressor. It seems desirable that this text should be examined, so that, if it can be approved, the British delegate may be instructed to work for its acceptance in the place of that proposed by the Soviet delegation. It hardly seems possible that the British delegate can be asked to pursue a purely negative attitude on these three subjects.

A. E.

<sup>1</sup> Legal Adviser to the Foreign Office.

<sup>2</sup> Mr. A. W. Dulles was Legal Adviser to the U.S. Delegation to the Disarmament Conference.

## No. 7

*Minute by Mr. Eden*

[W 12805/40/98]

FOREIGN OFFICE, *November 6, 1933*

The French Ambassador asked to see me this afternoon. He said that his Government were a little anxious as to what was to happen at the Bureau on the 9th of the month. Time was getting very short. There had not been any opportunity for consultation. He supposed that he was right in saying that it was still the wish of the British Government to co-operate, as they were doing previous to Sir John Simon's speech at Geneva,<sup>1</sup> and to continue to work together upon the policy there laid down. More particularly he was anxious for an assurance that we were still determined that there should be no concession allowing of the rearming of Germany.

I replied that I was quite sure that it was the desire of His Majesty's Government to continue to co-operate closely with the French Government in the present difficult European situation, that it was still our view that the work for disarmament must go on, but as to what form that work must take and what amendments might be necessary to get a convention seemed to be

<sup>1</sup> On October 14. See Volume V of this Series, No. 455.

a matter that should be discussed between us. The Ambassador agreed, and added that he would have liked an early meeting between the two Foreign Secretaries, with the addition, perhaps, of the French Prime Minister. Was Sir John Simon himself going to Geneva? Geneva was not always the best place for confidential discussions. I gathered from this and one or two other indications that what the French Government would have liked would have been conversations in Paris.

The Ambassador added that they were also a little embarrassed as to our attitude, on account of the four questions<sup>2</sup> which had been asked them. They were not quite clear whether there was any purpose behind those questions. I replied that they were purely exploratory and meant no more than they said.

I have the impression that the French Government, while it is willing to work out a convention if it can be fairly confident of doing so in conjunction with us, is nervous of the differences that may arise, and perhaps particularly nervous lest any further concessions should be asked from the French Government at the Bureau.

A. E.

<sup>2</sup> See Volume V of this Series, No. 470.

#### No. 8

*Sir J. Simon to Sir E. Drummond (Rome)*

*No. 355 Telegraphic [W 12675/40/98]*

FOREIGN OFFICE, *November 7, 1933, 3.35 p.m.*

His Majesty's Government have had under consideration the future procedure of the Bureau when it meets on the 9th. We are still determined to work for a convention which will embody the reduction and limitation of armaments. We are, however, very doubtful of the value of proceeding article by article with the discussion of the Draft Convention<sup>1</sup> in the Bureau at Geneva. It seems to us rather that the correct procedure is perhaps to endeavour to clear up the difficulties between us by negotiation. In order to do this we should wish in the first instance for an exchange of views with the French and Italian Governments.

I am accordingly stopping in Paris tomorrow on my way to Geneva, and shall hope to have an early opportunity of discussing the situation with a representative of the Italian Government at Geneva on [the] 9th. Please inform your Government accordingly and ask that the Italian representative should be in full possession of the views of the Italian Government.

<sup>1</sup> i.e. the United Kingdom Draft Disarmament Convention of March 16, 1933, which was published as a White Paper, Cmd. 4279 of 1933. See Volume IV of this Series, Appendix IV and Volume V, Chapters II-VIII *passim*.

## No. 9

*Sir J. Simon to Lord Tyrrell (Paris)*

*No. 222 Telegraphic: by telephone [W 12675/40/98]*

FOREIGN OFFICE, November 7, 1933, 4.0 p.m.

Since it seems highly desirable that we should have a frank exchange of views with the French Government on the present situation before the meeting of the Bureau on the 9th, I propose to fly to Paris tomorrow by the mid-day aeroplane and I should be grateful if you could arrange for meeting tomorrow afternoon with M. Sarraut and M. Paul-Boncour.

For your information only, it is still the view of His Majesty's Government that we must seek to secure a convention for the reduction and limitation of armaments. We are, however, very doubtful whether this result can be achieved by going through the Draft Convention article by article in the Bureau at Geneva in the absence of the Germans. We believe that the next stage should be one of negotiation in an attempt to clear up the differences between the four principal European Powers.

As a preliminary to such negotiation we are anxious to exchange views with the French Government in order to agree if possible upon objective and upon procedure.

Account must also be taken of the closing passages of Herr von Neurath's speech<sup>1</sup> which might be taken to mean a willingness for further negotiation in the near future.

<sup>1</sup> In a speech on November 6 at the Deutsche Klub, formerly the Herrenklub, Baron von Neurath condemned the League of Nations as a perpetuation of the Versailles system and appealed from it to a better League of Nations. He stated that Germany was ready to co-operate with other Powers in tackling world problems from a fresh starting-point.

## No. 10

*Sir E. Drummond (Rome) to Sir J. Simon (Received November 7, 6.55 p.m.)*

*No. 317 Telegraphic: by telephone [W 12677/40/98]*

ROME, November 7, 1933

My immediately preceding telegram.<sup>1</sup>

I carried out this morning the instructions contained in your telegrams Nos. 351<sup>2</sup> and 352.<sup>3</sup>

Signor Suvich remarked *à propos* of the passage in the second telegram,

<sup>1</sup> Not printed. This telegram of November 7 reported the arrival of General Göring in Rome.

<sup>2</sup> See Volume V of this Series, No. 601.

<sup>3</sup> This reference appears to be a mistake. Foreign Office telegram No. 352 to Rome (not printed) dealt with relations between Saudi Arabia and the Yemen. The reference should probably be to telegram No. 354 to Rome of November 6, in which Sir E. Drummond was instructed to inform the Italian Government of the terms in which Sir J. Simon proposed to refer to the Treaty of Locarno in his speech in the House of Commons on November 7. See Parl. Deb., 5th ser., H. of C., vol. 281, cols. 41-64. Similar instructions were sent to Paris and Brussels.



and [*sic*] to Germany's possible return to the League, that it was an optimistic view. Signor Suvich had been present at the interview which General Göring had with Signor Mussolini this morning and left before it was finished in order to keep his appointment with me.

General Göring had brought last night a personal letter from the German Chancellor to Signor Mussolini apologising for not warning the latter as to the action Germany had taken as regards leaving the Conference and withdrawing from the League, but saying that it was fated thus. The letter went on to state that Germany hoped that some accommodation was still possible. I enquired of Signor Suvich if there was any indication as to method, and he replied that all this was quite vague and he seemed to think more or less only phrases.

The letter itself, or General Göring's additional explanations, repeated the German thesis that, under the proposed Convention, Germany was to receive no equality of armaments during the first four years, and that after that the German Government felt that some pretext would be found to prove that the control had not worked satisfactorily and therefore the disarmament of the highly armed States would not materialise. General Göring further repeated the German proposals contained in Sir E. Phipps' telegram No. 232<sup>4</sup> but added nothing to these. Germany was ready to be content with an army of 300,000 men, leaving the other Powers with such armies as they wished to maintain. Germany should be given armaments sufficient for such an army. I asked Signor Suvich whether this referred to defensive armaments only, but his reply was not very explicit on this point.

He then said that Signor Mussolini was of opinion that the policy proposed by Mr. Henderson to prepare a Convention and then present it to Germany to take or to leave was a mistake. If Germany accepted such a Convention willingly, well and good, but it would be difficult to frame one to which she could and would not raise objections. If she was more or less forced to accept the Convention it would be considered in Germany as a 'Diktat' and nothing would have been gained.

At present Signor Mussolini was inclined to wait somewhat longer and see how matters developed. I am seeing Signor Mussolini later today and hope to obtain more information as to his views.

<sup>4</sup> See Volume V of this Series, No. 485.

## No. 11

*Sir E. Drummond (Rome) to Sir J. Simon (Received November 7, 7.0 p.m.)*

*No. 318 Telegraphic: by telephone [W 12679/40/98]*

ROME, November 7, 1933

My immediately preceding telegram.<sup>1</sup>

I saw Signor Mussolini this afternoon. He recapitulated but with less detail what Signor Suvich had already told me regarding General Göring's visit, and confirmed Under-Secretary's views on disarmament procedure.

<sup>1</sup> No. 10.

As regards naval agreement with France, he said pace was slow but he was still hopeful.

He thought economic conditions in Europe, regarding which he was most pessimistic, might provide fillip for disarmament which was badly needed.

Conversation was general in character. Full report goes to you by despatch.<sup>2</sup>

<sup>2</sup> See No. 20.

## No. 12

*Sir E. Drummond (Rome) to Sir J. Simon (Received November 7, 7.15 p.m.)*

*No. 319 Telegraphic: by telephone [W 12680/40/98]*

ROME, November 7, 1933

Your telegram No. 355<sup>1</sup> and my telegrams Nos. 316,<sup>2</sup> 317,<sup>3</sup> 318.<sup>4</sup>

From conversation which I had today with Signor Mussolini it seems clear that Italian Government are opposed to proceeding with Convention to present to Germany to take or to leave and would prefer to wait for a little time and then endeavour to resume conversation[s] with Germany included. But this would not in my view necessarily imply unwillingness to discuss points of difficulty in present Convention though I fear Italian Government will think that such a procedure is likely further to exasperate German opinion and render situation more difficult. If however you still think it desirable I can explain your intention to Government here and ask that definite instruction may be sent to Italian representative at Geneva.

<sup>1</sup> No. 8.

<sup>3</sup> No. 10.

<sup>2</sup> Not printed. See No. 10, note 1.

<sup>4</sup> No. 11.

## No. 13

*Sir J. Simon to Mr. Patteson (Geneva)*

*No. 332 L.N. Telegraphic: [W 12680/40/98]*

FOREIGN OFFICE, November 8, 1933, 1.40 p.m.

Please give Mr. Henderson the following message at once.

1. I have just learnt that M. Paul-Boncour will not be able to leave Paris tonight to attend the Bureau tomorrow. We are further informed that Italy will not be represented by a Minister. As you know, I have to speak at the Lord Mayor's Banquet on Thursday<sup>1</sup> and Eden has to make an important speech in Birmingham on Saturday. Moreover, M. Sarraut is engaged till late this evening and my only opportunity of seeing him in Paris would be too brief to be useful.

<sup>1</sup> November 9.

2. In these circumstances I feel that Eden and I can make the best use of time this week by staying here and considering the situation together, especially in view of Herr von Neurath's speech two days ago<sup>2</sup> and the response to it which I made last night.<sup>3</sup> Mr. Cadogan is leaving London today and will attend any meeting of the Bureau this week. I have every intention of coming out as soon as possible, taking the French on the way, and shall do my utmost to get other countries to be ministerially represented.<sup>4</sup>

<sup>2</sup> See No. 9, note 1.

<sup>3</sup> See Parl. Deb., 5th ser., H. of C., vol. 281, cols. 41-64.

<sup>4</sup> Sir E. Drummond was also instructed, in Foreign Office telegram No. 356, telephoned at 1.45 p.m. on November 8, to inform the Italian Government of Sir J. Simon's change of plans.

## No. 14

*Lord Tyrrell (Paris) to Sir J. Simon (Received November 8, 3.30 p.m.)*  
*No. 99 Telegraphic [W 12724/40/98]*

PARIS, November 8, 1933, 1.55 p.m.

French Ambassador at Berlin who has always been ready to go further than his Government on the road of conciliation has just reported it to be his present considered opinion that the German Government have no intention of returning to Conference in any circumstances. For public consumption at home they have represented that Germany was about to be offered a humiliating arrangement based on a period of probation and international control. They hope that the Powers will continue to negotiate among themselves because they believe that the result must be either failure or produce a convention which in substance will not differ materially from what has just been rejected. The German Government will then declare that an entirely new situation has been created which justifies them in considering Germany no longer bound by Part V of the Treaty of Versailles. This opinion coming from so moderate a man as M. Poncet will certainly have a powerful influence on his Government.

From other sources, Ministry of Foreign Affairs have learnt, they tell me, that the German Government are making unofficial overtures to Poland and Czechoslovakia, for separate agreements comprising mutual guarantee of non-aggression on condition that they are negotiated outside the orbit of the League. The Ministry of Foreign Affairs consider this policy to be a manifestation of the German Government's intention to destroy League of Nations—an intention openly asserted in Herr von Neurath's speech at the Deutsche Klub<sup>1</sup>—whilst enabling them to show their public that Germany is not isolated.

These advices will aggravate an already high state of nervous tension and the French Government must be expected to show reluctance to engage in resumed negotiations for a comprehensive agreement unless we can find some

<sup>1</sup> On November 6. See No. 9, note 1.

way of reassuring them as to our future attitude. What they will fear is occurrence of situation in which though none of her present partners is anxious for France to weaken her power of defence she will find herself in the role of scapegoat for Germany's final refusal to resume discussions at Geneva.

Repeated to Berlin.

## No. 15

*Sir E. Drummond (Rome) to Lord Tyrrell (Paris)*

*No. 58<sup>1</sup> Telegraphic [W 12723/40/98]*

ROME, November 8, 1933, 2.0 p.m.

Following for Secretary of State.<sup>2</sup>

My telegram No. 318.<sup>3</sup>

In the course of interview with Mussolini yesterday the latter stated that General Göring had made to him proposals regarding disarmament similar to those which German Chancellor had outlined to the British Ambassador at Berlin (Berlin telegram No. 232).<sup>4</sup> On my remarking that these proposals did not seem to imply any reduction in armaments, Mussolini said this might be so but that proposals might be modified; for instance a convention might be reached by which none of the signatory Powers would increase their present armaments; German Reichswehr would be changed into an army of 200,000 to 300,000 men with twelve months' service; certain high[ly] offensive weapons might be abolished, and bombardment from the air given up. This latter point, he believed, both German and French Governments were prepared to accept. Gas and bacteriological warfare should also be forbidden. Further the Powers might agree not to spend more than a given amount on their military budgets. A convention of this kind would give considerable satisfaction to public opinion and would result in a considerable budgetary saving. It might be said that this meant some rearmament of Germany but he did not think that this was so. We were told that the Reichswehr as at present constituted was a formidable offensive force. If for that force were substituted a short-term army the dangers would be much less and an arrangement of this kind could hardly be termed rearmament. There was no danger to French from such a plan. The French fortifications along the Rhine were of a kind which could not be broken through. They were the most formidable barrier the world had ever seen, a barrier which Germans themselves realised was utterly impregnable.<sup>5</sup>

Repeated to Foreign Office No. 320.

<sup>1</sup> This telegram was addressed to Paris as No. 58 and was repeated as No. 320 to the Foreign Office, where it was received on November 8 at 3.15 p.m.

<sup>2</sup> Sir J. Simon was still in England: see No. 13.

<sup>3</sup> No. 11.

<sup>4</sup> See Volume V of this Series, No. 485.

<sup>5</sup> There is a fuller report of this conversation in No. 20.

No. 16

*Sir J. Simon to Lord Tyrrell (Paris)*

*No. 223 Telegraphic: by telephone [W 12680/40/98]*

FOREIGN OFFICE, November 8, 1933, 3.45 p.m.

His Majesty's Government are doubtful of the wisdom of seeking to negotiate the details of a disarmament Convention until the ground has been prepared by conversations between the principal Powers. We note that the Italian Government is opposed to proceeding with an attempt to draw up a Convention now and though all courses in the immediate future are difficult, clearly the worst would be a failure to agree between ourselves upon the articles of a Convention at Geneva owing to insufficient preparation.

The first stage of such preparation is clearly an exchange of view with the French Government. We are not sure of their attitude. Do they still want to continue to draft a Convention in detail? If so, it will be helpful for us to know their ideas as to the form the Convention should take. Are the French Government still determined that the Convention if drafted shall embody the two periods and the figures previously proposed by the French Government? If so, you should warn French Government that His Majesty's Government feel considerable doubt as to the value of proceeding in this way to offer to Germany again something which she has already rejected. In any event a thorough discussion between the French Government and ourselves as to both objectives and policy seems essential. Do the French Government share this view, and if so, have they any suggestion as to how and when such a discussion could take place? As we have so frequently made journeys to Paris for the convenience of French Ministers we should appreciate a visit from French Ministers to London for an exchange of views.

No. 17

*Sir J. Simon to Sir E. Drummond (Rome)*

*No. 357 Telegraphic [W 12680/40/98]*

FOREIGN OFFICE, November 8, 1933, 3.50 p.m.

Your telegram No. 319.<sup>1</sup>

Please see Signor Mussolini if possible or Signor Suvich and inform him that we are impressed with the view which Italian Government have indicated. All alternative courses in the Bureau are now difficult, but the worst course of all would be to produce a situation in which there is a difference of opinion as a result of insufficient preparation. We are ourselves inclined to share Signor Mussolini's view that a little more time is required for consideration and perhaps for exchanges of view. We assume that the Italian Government are instructing their representative at Geneva to take the line indicated by Signor Mussolini.

<sup>1</sup> No. 12.

**No. 18**

*Sir J. Simon to Sir E. Drummond (Rome)*

*No. 937 [W 12769/40/98]*

FOREIGN OFFICE, *November 8, 1933*

Sir,

I asked the Italian Chargé d'Affaires to see me this afternoon and told him the reasons why it was not possible for me to travel to Geneva today. As neither Italy nor France would be represented by a Minister, and as pressing engagements this week made it most difficult to leave London, I had decided to postpone my departure. I referred to the information which you had transmitted in your telegrams Nos. 317<sup>1</sup> and 319<sup>2</sup> of the 7th November, as to Signor Mussolini's views on future procedure at Geneva, now that Germany has withdrawn. We were impressed with this view, but had not ourselves reached a final conclusion. We were anxious to keep in close contact with the Italian Government on the subject as well as with the French Government, and thereby hoped to facilitate a common course of action. I had asked the French Government to avoid making a dogmatic declaration about Geneva procedure until the consultation between us all had taken place.

I am, &c.,

JOHN SIMON

<sup>1</sup> No. 10.

<sup>2</sup> No. 12.

**No. 19**

*Sir J. Simon to Lord Tyrrell (Paris)*

*No. 1759 [W 12770/40/98]*

FOREIGN OFFICE, *November 8, 1933*

My Lord,

I asked M. Corbin to come to see me this afternoon and explained why I was unable to leave London today for Paris and Geneva. It would, in any case, have been very difficult to get away in view of engagements here, and after I had learned that neither Italy nor France would be represented by a Minister at the Disarmament Bureau tomorrow, I felt that it was impossible to make the journey without the prospect of meeting them there. The Ambassador said that he was sure that M. Sarraut and M. Paul-Boncour would be glad to have this explanation, as they had been looking forward to seeing me or Mr. Eden today.

2. I went on to ask the Ambassador to urge M. Paul-Boncour, if he had to make a declaration on the subject in the French Chamber tomorrow, not to declare in favour of any particular procedure at Geneva now that Germany had withdrawn. We felt strongly that it was first necessary to consult with Paris and Rome, and were not yet clear in our minds as to the best course,

especially as we had not fully learnt the French view as to the difficulties which might arise from the plan of announcing that a Convention would be framed and agreed in Germany's absence. The worst of all results would be for such an intention to be proclaimed and then not to be fulfilled. There might even be disagreements between those who had been acting together, and there was the further risk that Germany would treat the offer, even if it was agreed in every detail, as a challenge which she must reject. I added that we had some information which went to show that the Italian Government felt difficulties on the above points, and it was very necessary that the course to be adopted was one which could be adopted in common.

3. M. Corbin said that he quite understood both the importance and difficulty of the question of procedure. He hoped, however, that there was no difference as to the general lines which the draft convention might follow. There had been agreement at Geneva between ourselves, France, Italy and others down to the time when Germany withdrew; for example, the proposition that Germany could not be authorised to rearm held the field in the French view. I said that I hardly thought we could discuss these matters of substance at the moment, and, indeed, they illustrated the necessity for conference between ourselves and the other Governments. I emphasised that what had happened at Geneva was not the production of a new plan alternative to the British Draft Convention. We ourselves stood by our Draft, and these supplementary suggestions had been put forward as indications of the way in which certain details might perhaps be modified. As regards the proposition 'no rearmament for Germany', I reminded the Ambassador that the principle of equality was conceded provided that the question of security was reasonably provided for. My understanding was that we did contemplate a convention, in the course of which Germany would acquire the right to whatever sort of weapons other signatories remained entitled to possess. Without this there could be no qualitative equality. Quantities were quite a different matter and would involve negotiation. Another point to be determined was the moment when Germany would fully exercise the right to equality, for that depended on a suitable programme of stages. But the realisation of actual qualitative equality within the framework of a convention was, I thought, involved in the discussions we had had with M. Daladier in Paris some time ago. Unless, therefore, France and other armed Powers were going to abandon every sort of weapon which Germany was not now authorised to possess, it followed that at some time, and to some degree, German rearmament was involved. The observation which we made at Geneva was that the Disarmament Convention could hardly begin by providing for the rearmament of Germany from its first moment. It was all a question of times and degrees. For example, if the largest mobile guns were abandoned, and 155 mm. became the maximum permitted size, it seemed clear that at some stage in the new convention Germany must acquire the right to have some 155 mm. guns.

4. In the course of our conversation I threw out the hint that it would be convenient if French Ministers could change the usual practice by which we

invariably visited Paris, and I pointed out that if they could come to see us here I should be able, more readily, to get the assistance of the War Office and other Departments on these difficult questions of detail which would now become increasingly important. I was not issuing an invitation, since I should not wish to embarrass the French Government at a moment which might not be opportune, but I hoped that the Ambassador would perhaps pass on my reflection.

I am, &c.,  
JOHN SIMON

No. 20

*Sir E. Drummond (Rome) to Sir J. Simon (Received November 17)*

*No. 853 [W 13102/40/98]*

ROME, November 8, 1933

Sir,

With reference to my telegram No. 318<sup>1</sup> of the 7th November and my telegram No. 320<sup>2</sup> of today's date, I have the honour to inform you that I was received yesterday afternoon by Signor Mussolini. I said to him that the last time I saw him, at Forli, I had no idea that I should be appointed to Rome as British Ambassador, but that I was delighted that this had happened and it was the sincerest wish of my Government, and of course of myself, that close friendship and collaboration between the two countries should be maintained and strengthened. Signor Mussolini replied that this friendship and collaboration was [*sic*] essential. He had read with pleasure the Prime Minister's message at the lunch which had been given me by the British-Italian Society.<sup>3</sup> England and Italy must work together, not only in their own interests but in those of Europe as a whole. It was through them that peace could be preserved. France and Germany could never really become friends; the hatred between them was too ancient and deep-rooted.

2. I asked him what he thought of General Göring. Signor Mussolini replied that he found him very sympathetic, particularly because he believed him to be completely sincere. General Göring had stated that Germany wanted peace and did not desire war. Signor Mussolini thought that this was true. No revolutionary Government could afford to go to war because by so doing it endangered its own existence. This was particularly the case with Germany and would continue to be so for some time. It was also true as regards Russia. But even if peace were assured in Europe for a considerable period, Europe would have to go through a period of privation, because of economic factors. The different continents were now becoming more and more self-concentrated as regards trade. America: no one knew where she was going, but certainly she was not likely to be a large market for European goods. He expressed considerable concern as to what was happening in the

<sup>1</sup> No. 11.

<sup>2</sup> See No. 15.

<sup>3</sup> See Volume V of this Series, No. 476, note 2.



United States, particularly as regards the farmers, to whom President Roosevelt had made promises which he did not see could possibly be fulfilled. In Asia, Japan dominated the situation and was a peril to the world. Africa was so small a market that it did not count, and the population of South America did not allow that continent to absorb European products to any large extent. Therefore, Europe would have to pass through a period of suffering. Signor Mussolini spoke on this subject in a very pessimistic tone. Indeed, he said that he was under no illusions as to the success which had been achieved in Italy as regards staving off the economic crisis. This had been effected temporarily, but the standard of living in all European countries was depreciating and would have to depreciate far more.

3. He had hoped and still did hope, however, that this economic pressure might be helpful in bringing about disarmament. Indeed, if he had achieved agreement with France on the naval problem he would at once have countermanded a number of ships which were to be constructed. As Signor Mussolini talked as if the agreement were now in jeopardy, I enquired what progress was being made. He said that he still hoped, and indeed expected, that agreement would be reached, but the pace was slow. He thought that the French budgetary deficit would, in this special instance, also help forward matters.

4. As regards disarmament generally, he was convinced that it would be a great mistake to prepare a convention and present it to Germany to leave or to take. This would only infuriate the Germans still more. He believed that after the lapse of some little time to allow passion to cool down, conversations could be resumed; but another point which would make for peace would be for the League of Nations to take up the question of the revision of the treaties. I remarked that, as he knew, the League, speaking of it in a corporate capacity, could not take any such action. The initiative would have to be taken by some particular Government. Signor Mussolini replied that some Government must ultimately do this. When the question of revision came up, we could see what happened, but it ought to be raised. He did not, however, indicate any particular moment at which this should be done, or whether he intended to take the initiative himself. He stated that General Göring had made to him proposals similar to those which the Chancellor had outlined to the British Ambassador in Berlin. I remarked that these proposals did not seem to imply any reduction of armaments. Signor Mussolini said that this might be so, but that the proposals might be modified; for instance, a convention might be reached by which none of the signatory Powers would increase their present armaments; the German Reichswehr would be changed into an army of 200,000 to 300,000 men with twelve months' service; certain highly offensive weapons might be abolished and bombardment from the air given up. This latter point, he believed, both the German and the French Governments were prepared to accept. Gas and bacteriological warfare should also be forbidden. Further, the Powers might agree not to spend more than a given amount on their military budgets. A convention of this kind would give considerable satisfaction to public opinion

and would result in a considerable budgetary saving. It might be said that this meant some rearmament of Germany, but he did not think this was so. We were told that the Reichswehr as at present constituted was a formidable offensive force. If for that force were substituted a short-term army, the dangers would be much less and an arrangement of this kind could hardly be termed rearmament. There was no danger to the French from such a plan. The French fortifications along the Rhine were of a kind which could not be broken through. They were the most formidable barrier that the world had ever seen, underground cities with trains—in short, fortifications of a nature which the Germans themselves realised were utterly impregnable. On the Italian frontier the fortifications were much less, because over much of the frontier the mountains gave a natural protection, but they had been made, and it was on all these fortifications that the millions which M. Chéron had saved had been expended.

5. Coming back to the League of Nations, Signor Mussolini thought that much of the German action as regards leaving the Disarmament Conference and the League was due to the anti-German atmosphere which had prevailed at Geneva during the Assembly and the attacks made on Germany in the Swiss press. His delegates had told him that the members of the German delegation were practically isolated and that hardly anyone spoke to them. It was a natural feeling, that if you found yourself banned in a house you walked out of the door.

6. On leaving, Signor Mussolini again said to me that we must work together to save Europe, and he attached the greatest importance to the closest collaboration between the two countries.

7. I asked him whether he was not somewhat unhappy at the prospect of the large dinner which he was giving that night to General Göring. He said that he hated these dinners as they involved such a waste of time for a man who only spent on an average ten minutes a day on food and drink. I congratulated him that in spite of this abstinence he was looking even better than the last time I saw him.

I have, &c.,  
ERIC DRUMMOND

## No. 21

*Sir E. Phipps (Berlin) to Sir J. Simon (Received November 9, 2.0 p.m.)*

*No. 257 Telegraphic [W 12762/40/98]*

BERLIN, *November 9, 1933, 2.12 p.m.*

My telegram No. 232<sup>1</sup> and Rome [telegram] No. 218.<sup>2</sup>

This proposal now having been made successively by German Government to United States, Great Britain and Italy, I feel and United States

<sup>1</sup> See Volume V of this Series, No. 485.

<sup>2</sup> It was suggested in the Foreign Office that the reference should be to Rome telegram No. 318 (No. 11).

Ambassador agrees that it would be advisable soon after German elections to give Herr Hitler some indication of our views thereon. Otherwise we risk his declaring publicly that his reasonable suggestion has remained without any answer. United States Ambassador saw the Minister for Foreign Affairs this morning and found him reserved but not opposed to the idea of a resumption of disarmament talks.

Repeated to Rome.

## No. 22

*Lord Tyrrell (Paris) to Sir J. Simon (Received November 9, 9.25 p.m.)*

*No. 100 Telegraphic [W 12767/40/98]*

PARIS, November 9, 1933, 6.50 p.m.

My telegram No. 272 Saving.<sup>1</sup>

Secretary-General at Ministry of Foreign Affairs informs me that he is authorized to confirm indications which he gave me provisionally last night of general attitude of the French Government.

2. Answer to your questions relating to meeting between French and British Ministers cannot be given until there has been consultation between the President of the Council and the Minister for Foreign Affairs which cannot take place at the moment owing to their respective parliamentary engagements. M. Léger remarked that he could however say at once that the French Government will cordially welcome discussion with the British Minister[s]: their sole preoccupation will be that such discussions if extended to other Powers (e.g. Italy) should not turn into anything approaching the nature of a conference (for reason of this see paragraph 2 of my telegram under reference). As regards place of meeting he knew French Minister[s] appreciate the fact that British Minister[s] had frequently of late made journey to Paris and would wish to be accommodating. He wondered, however, whether for psychological reasons visit of French Minister[s] to London would be desirable from the point of view of either Governments [*sic*] and whether best plan might not be meeting at Geneva. These however were only his personal views.

3. When answer on this point is given French Government will also endeavour to reply in more precise form than that given in my telegram No. 272 Saving to the specific questions put in your telegram No. 223.<sup>2</sup>

<sup>1</sup> No. 27.

<sup>2</sup> No. 16.

## No. 23

*Lord Tyrrell (Paris) to Sir J. Simon (Received November 9, 8.30 p.m.)*

*No. 101 Telegraphic [W 12768/40/98]*

PARIS, November 9, 1933, 6.50 p.m.

Ministry of Foreign Affairs are considerably perturbed that Mr. Eden has not gone to Geneva as he has not been absent from any meeting even when

no other country has been represented by a Minister. They fear that his absence will be connected with Herr Göring's visit to Rome and conclusion [be] drawn that His Majesty's Government are losing faith in efficacy of collective action at Geneva [and] inclining to separatist treatment of the disarmament problem.

2. We must henceforth expect French Government to be influenced by predominant anxiety to keep the League of Nations in the forefront.

#### No. 24

*Sir E. Drummond (Rome) to Sir J. Simon (Received November 10, 9.30 a.m.)*

*No. 322 Telegraphic [W 12795/40/98]*

ROME, November 9, 1933, 9.45 p.m.

Your telegram No. 357.<sup>1</sup>

Signor Mussolini being monopolised by National Council of Corporations I saw Signor Suvich.

I found I had rightly interpreted in my telegram No. 319<sup>2</sup> feeling of Italian Government as regards conversations or negotiations in Bureau or at Geneva concerning points in Convention. Once thesis is admitted that presentation of a convention framed without German participation is bad policy, then it follows logically in Italian view that discussion of such convention should equally be avoided.

Instructions in the sense of advocating further time being allowed for reflection had already been sent to Italian representative at Geneva.

Signor Suvich held that it was useful that Bureau should meet today in order to show that Powers were still following disarmament question at Geneva. He thought however that after today's meeting there should be an adjournment for some little time to examine results of German elections and after that to see whether and if so how, contact could best be resumed with Germany. Position might then be more easily clarified. If Germany were ready for further conversations, well and good; if on the other hand she was utterly intransigent and denounced Treaty of Versailles, other Powers parties to that treaty would have to consider what line they should take; but it was unwise to precipitate matters at present juncture.

<sup>1</sup> No. 17.

<sup>2</sup> No. 12.

#### No. 25

*Sir E. Drummond (Rome) to Sir J. Simon (Received November 10, 10.30 a.m.)*

*No. 323 Telegraphic [W 12796/40/98]*

ROME, November 9, 1933, 9.45 p.m.

My immediately preceding telegram.<sup>1</sup>

Signor Suvich told me that General Göring's visit had been due to fact that he likes coming to Italy, that he had already been here three times, and

<sup>1</sup> No. 24.

that he brought Chancellor's letter to Signor Mussolini. Gist of letter was as set out in my telegram No. 317,<sup>2</sup> but it further stated that German Government did not intend to take any initiative as to further conversations and did not ask Italian Government to do so. The letter, or General Göring, explained that Nazi Government could not in view of its published declarations continue a policy similar to that pursued by previous German Governments. They regarded themselves as guardians of German honour which had been desecrated by their predecessors.

He gave me a further and more detailed account of German *desiderata* but said that Germans did not present them as proposals. They started from assumption that highly armed Powers did not intend or wish to decrease their present armies or armaments. This being so, those Powers should bind themselves to no increase for a period of five to eight years. Germany on her side is to be allowed 300,000 men on a twelve-month service basis with armaments necessary for such a force, i.e. the same proportion of armaments as the French require for a similar number of men. Germany did not ask during this period for large tanks, large cannons or highly offensive weapons. In short, there should be an armaments truce for a period of years.

Signor Suvich said that of course Italian Government desired a real reduction of armaments but if this could not be obtained he considered that German *desiderata* should not be dismissed without careful reflection since in fact—provided aerial bombardments and other measures to which Signor Mussolini referred (see my telegram No. 320)<sup>3</sup> were secured—the proposals did not differ very radically from ideas discussed at Geneva for first period of Convention. Signor Suvich did not however mention control and inspection. He did not consider German proposals as rigid but as capable of modification.

<sup>2</sup> No. 10.

<sup>3</sup> See No. 15.

## No. 26

*Sir E. Phipps (Berlin) to Sir J. Simon (Received November 10)*

*No. 82 Saving: Telegraphic [W 12790/40/98]*

BERLIN, November 9, 1933

Rome telegram No. 317.<sup>1</sup>

Herr Hitler, as reported in my telegram No. 232<sup>2</sup> of October 24, explicitly declared that Germany would only require *defensive* weapons for her short-term army of 300,000 men, leaving the 'highly armed' States to retain their present armaments including *offensive* weapons.

My Italian colleague tells me that the apparent generosity of the Germans on this point is due to the fact that they disbelieve in the efficacy of these latter weapons. Some time ago, when the proposal was still being considered for a short-term army of 200,000 men for Germany, the Chancellor told Signor Cerruti that for that number of men about 1,500,000 rifles would *inter alia* be necessary.

<sup>1</sup> No. 10.

<sup>2</sup> See Volume V of this Series, No. 485.

No. 27

*Lord Tyrrell (Paris) to Sir J. Simon (Received November 9)*

*No. 272 Saving: Telegraphic [W 12763/40/98]*

PARIS, November 9, 1933

Your telegram No. 223.<sup>1</sup>

In reply to your questions Secretary-General of Ministry for Foreign Affairs described to me views of French Government as follows, subject to confirmation by Ministers:

In no circumstances can French Government be a party to holding out further concessions to Germany. Those offered by M. Daladier remain irreducible [*sic*] maximum to which they are able to go. They are under no illusion that any offer that did not go beyond that of October 14 would fail to move Germany from her present attitude. Indeed they go further and believe that no concessions, however extensive, would induce her to return to Geneva as she has cut definitely adrift from the League and is set upon destroying it. The first stage of this process was accomplished when she gave notice of her intention to quit; the second stage has already begun in the shape of Herr Göring's visit to Rome which German Government clearly hope will mark the first step in alienating disarmament discussions from Geneva. France, whose policy is an internationalist rather than an individualist one and is closely bound up with the League, must be on her guard not to facilitate this design. Disarmament is a collective international effort and it is the duty of the Powers not to abandon it because one of their number has dropped out. To delay resumption of discussions at Geneva would throw Europe into confusion, give fresh impetus to existing rivalries and suspicions, and promote competition in armaments. French Government will therefore be more than ever impressed with the expediency of continuing general discussions at an early date notwithstanding the fact, due to their own attitude, that nothing can come out of them that would satisfy Germany. They do not despair of prospect of framing a comprehensive convention. Its comprehensiveness would be in direct ratio to the safeguards which it contained, e.g. guarantee of execution. Such a convention would not be offered to Germany, as she would naturally refuse it, but would remain open to her accession in the unlikely event of her undergoing a complete change of mind. A brief discussion at Geneva should suffice to show whether such a convention is possible. If not, something more modest must be aimed at. A mere standstill agreement would be better than nothing. If a convention were negotiated, whether comprehensive or restricted, one of two things must happen. Either a better disposition will come about in Germany leading to prospect of ultimate settlement; or Germany will continue to rearm in repudiation of Treaty of Versailles. In the latter event the signatories would take stock of the situation and consider how to meet it.

Above contains no direct answer to your question whether French Govern-

<sup>1</sup> No. 16.

ment still hold that any convention must embody two periods and figures already proposed, but it is answered inferentially.

I will let you know as soon as possible whether these views in their broad lines are endorsed, as I anticipate, by M. Sarraut. If they are, there is no hope of being able to make Germany an offer which, if she accepted it, would lead to a settlement, or, if she rejected it, would put her beyond all possible doubt in the wrong. French policy being now based on the conviction that Germany intends, come what may, to rearm, it is possible that official circles might realise the tactical value of this course, but, whereas His Majesty's Government and the Italian Government could be parties to such an offer, I do not believe that any French Government could.

M. Léger could not of course give me an answer off-hand to your questions whether French Government consider an exchange of views between British and French Ministers desirable and if so when and where it should take place.

## No. 28

*Mr. Patteson (Geneva) to Sir J. Simon (Received November 10, 9.10 a.m.)*

*No. 395 L. N. Telegraphic [W 12794/40/98]*

GENEVA, November 10, 1933, 12.10 a.m.

Following from Mr. Cadogan.

My telegram No. 394.<sup>1</sup>

Conversations which I had today<sup>2</sup> with the French, Italian and United States representatives show that there was no likelihood of anyone proposing simple adjournment of Bureau.

Mr. Henderson mentioned to me five possible alternative procedures and indicated his preference for what I think was the least embarrassing.

The Italian and United States representatives told me that they would not oppose this. French representative told me he accepted it and would not propose anything else.

It was adopted at Bureau this afternoon.

After the Bureau I had some conversation with the French, Italian and United States representatives as to what questions could suitably be examined. The Italian delegate said that in the present circumstances it would be very difficult for him to discuss any question of disarmament proper.

For instance he did not see how he could discuss transformation of Italian army so long as there was uncertainty as to whether this operation would have to be completed before any reductions were effected in material. The French representative seemed to recognise this difficulty and United States representative certainly did so. I suggested that we should have to confine

<sup>1</sup> Not printed. This telegram reported the proceedings of the Bureau on November 9, when the proposal was adopted that a sub-committee of the Bureau should decide what questions were sufficiently advanced to be sent to committees or to *rapporteurs* for study.

<sup>2</sup> This telegram was drafted on November 9.

ourselves to the examination of questions that did not prejudice the attitude on such principles as 'periods'. It may for instance be possible for the French delegation to submit in more detailed form their ideas on machinery of supervision. United States representative suggested that a technical committee might be asked to examine purely technical possibilities of transformation of armies with a view to seeing how long such an operation must take in the case of an army of a given size. He pointed out that this involved not only the question of recruitment but might also necessitate re-organisation of mobilisation plans etc. If such a discussion were kept on purely technical lines I do not know that it would be dangerous.

I fear Secretary will submit to sub-committee tomorrow a large number of questions for examination but I hope that we may be agreed to cut it down to a minimum.

In the impossibility of a simple adjournment I hope this procedure will not prove embarrassing. It is of course simply a device to keep the Bureau in being and to mark time in the hope that principal Governments may find some basis from which an advance can be made towards agreements on the larger problems.

#### No. 29

*Sir E. Phipps (Berlin) to Sir J. Simon (Received November 11, 9.30 a.m.)*

*No. 258 Telegraphic [W 12830/40/98]*

BERLIN, November 10, 1933, 9.35 p.m.

Geneva telegram No. 396.<sup>1</sup>

French Ambassador asked Minister for Foreign Affairs last night whether rumour was true that directly after elections Germany meant to declare her intention to rearm. Baron von Neurath hotly denied any such intention and declared first thing the German Government would do after the elections would be to proceed with a large scheme of internal reforms. French Ambassador, though he has not even informed his Government of his reply, retorted: 'so much the better for that would mean a *casus belli*'. French Ambassador asked what Göring had done in Rome and His Excellency gave him more or less the information on that point contained in Rome telegram No. 317<sup>2</sup> repeating however in detail the proposals made to me by Herr Hitler regarding an army of 300,000 men etc. French Ambassador replied that this proposal was in effect one for rearmament of Germany and enquired whether in order to make it possible for French public opinion Germany would consent to some far reaching plan of appeasement comprising question[s]

<sup>1</sup> Not printed. This telegram of November 9 reported rumours, spread by German journalists in Geneva, that after the elections the German Government would put forward a proposal for a new League of Nations and an offer on disarmament.

<sup>2</sup> No. 10.



of the Saar, Poland, Czechoslovakia and Austria. Baron von Neurath seemed struck by this idea but of course could give no definite reply.

It seems that Baron von Neurath still remains very much in the dark regarding Herr Hitler's intentions for he only heard what Göring had done at Rome after the return of latter to Berlin.

Baron von Neurath admitted that German plan would have to comprise a system of general supervision and declared that if it were accepted Germany would return to Geneva.

Repeated to Geneva and Rome.

### No. 30

*Sir J. Simon to Lord Tyrrell (Paris), Mr. Bland (Brussels), Sir E. Drummond (Rome), Sir J. Addison (Prague), and Sir W. Erskine (Warsaw).*

*No. 175 Saving:<sup>1</sup> Telegraphic [C 9560/653/18]*

FOREIGN OFFICE, *November 10, 1933*

Your despatch No. 1184.<sup>2</sup> (Your despatch No. 376.)<sup>3</sup> (Mr. Murray's despatch No. 593.)<sup>4</sup> (Your despatch No. 131.)<sup>5</sup> (Mr. Vereker's despatch No. 284.)<sup>6</sup>

You should make following *oral* communication to Government to which you are accredited:—

(1) Italian, Belgian, Czechoslovak and Polish Governments (French, Italian, Czechoslovak and Polish Governments) (French, Belgian, Czechoslovak and Polish Governments) (French, Italian, Belgian and Polish Governments) (French, Italian, Belgian and Czechoslovak Governments) have all agreed, as proposed by His Majesty's Government in the United Kingdom, to request their aircraft and engine manufacturers not to conclude any agreement for the sale of aircraft or engines or of the manufacturing rights therein to the German Government direct, or to any German Ministry or public authority and particularly the police, unless they have received categorical written assurances from the German Government that the material or rights in question will not be used for any purpose forbidden by the Paris Air Agreement;

(2) In these circumstances, His Majesty's Government in the United Kingdom propose themselves to take this action forthwith; they understand

<sup>1</sup> No. 175 Saving to Paris, No. 6 Saving to Brussels, No. 41 Saving to Rome, No. 8 Saving to Prague, No. 8 Saving to Warsaw.

<sup>2</sup> Not printed. The substance of this despatch of August 14 was telegraphed on the same day to the Foreign Office. See Volume V of this Series, No. 325.

<sup>3</sup> Not printed. This despatch of August 8 reported the agreement of the Belgian Government. See Volume V of this Series, No. 294.

<sup>4</sup> See Volume V of this Series, No. 313.

<sup>5</sup> Not printed. This despatch of September 7 reported the agreement of the Czechoslovak Government. See Volume V of this Series, No. 294.

<sup>6</sup> Not printed. This despatch of August 28 reported the reply of the Polish Government. See also Volume V of this Series, No. 325, note 2.

that the Government to which you are accredited will act similarly, and would be glad of immediate confirmation of this understanding.

(3) The adoption of the guarantee procedure does not of course remove the necessity for preventing the consignment to Germany of material the import of which would obviously be contrary to the Paris Air Agreement;<sup>7</sup> and it is assumed that the Government to which you are accredited will use their discretion in this matter in the same manner as His Majesty's Government.

You are authorised at the same time to inform the Government to which you are accredited in strict confidence of the substance of Washington telegram No. 588<sup>8</sup> of November 1, which you will have seen in the sections,<sup>9</sup> and to state that His Majesty's Government are satisfied that the attitude of the United States Government conforms in all essentials to that of His Majesty's Government.

(*To Paris only.*)

We doubt feasibility of French Government's suggestion that Netherlands Government should be approached as reply would probably be that not being signatories of the Treaty of Versailles they were not concerned in matter; but we should naturally welcome it if French Government succeeded in persuading Netherlands Government notwithstanding.

(*To Warsaw only.*)

We did not intend to suggest that Polish Government were bound by Paris Air Agreement of 1926, but merely to indicate what the obligations of the German Government were thereunder, and to ask for the co-operation of the Polish Government in the means proposed for ensuring that Germany observes these obligations.

<sup>7</sup> This agreement of 1926 is printed in *League of Nations Treaty Series*, vol. 58, pp. 331-74.

<sup>8</sup> No. 1.

<sup>9</sup> i.e. printed copies of important telegrams, circulated weekly to H.M. Missions abroad.

## No. 31

*Lord Tyrrell (Paris) to Sir J. Simon (Received November 11)*

*No. 276 Saving: Telegraphic [W 12831/40/98]*

PARIS, November 10, 1933

My telegram No. 100.<sup>1</sup>

Reply of French Government is as follows:

Whilst they are now, as ever, desirous above all things of working in close collaboration with His Majesty's Government, and would much value at this moment an intimate exchange of views on the present situation, French Government see certain objections to visit of French Ministers to London at this juncture. Recent exchanges of views have taken place in Paris when

<sup>1</sup> No. 22.

British Ministers were on their way to or from Geneva and consequently excited no special comment. A visit to London by French Ministers is quite a different matter and would be given immense significance. In the event it might have an unfortunate result on public opinion on both sides of the Channel. It might be assumed that French Ministers had gone to make an urgent appeal to His Majesty's Government for closer support in some form or other of French point of view. French Government have in fact no desire to urge His Majesty's Government to adopt any course about which they feel the smallest hesitation, and if visit led to no substantial and visible results the disappointment felt by French public opinion might have regrettable repercussion in both countries.

2. French Government therefore think that exchange of views should be postponed until Ministers meet in Geneva where it can take place with less ostentation.

3. You will appreciate that underlying the reasons given is the precarious situation of the present Government. Were French Ministers to go to London (they could not in any case go until the debate on foreign affairs is over, which will not be until after Tuesday<sup>2</sup> when M. Boncour replies for the Government), and were to return without some substantial support for French policy, their position would be untenable. What they would particularly fear in going to London would be any attempt to lead them into four-Power conversations. Collective action under the League has become the watchword of all political parties.

4. Government which had already become set in this policy will be now more than ever committed to it as a result of the remarkable unanimity with which it is being urged by speakers of all shades of opinion in debate on foreign affairs now proceeding. (See my telegram No. 275 Saving<sup>3</sup>).

<sup>2</sup> November 14.

<sup>3</sup> Not printed. This telegram reported on the foreign affairs debate in the Chamber of Deputies on November 9.

## No. 32

*Minute<sup>1</sup> by Mr. Eden*

*[W 12908/40/98]*

FOREIGN OFFICE, *November 10, 1933*

I asked the French Ambassador to come and see me this evening in order that I might ask him to thank, on Sir John Simon's behalf, M. Paul-Boncour for his action in giving Sir John an advance copy of a statement<sup>2</sup> he proposed to make in the French Chamber.

I took the opportunity of pointing out to the Ambassador that the second paragraph of M. Paul-Boncour's statement was not precisely accurate. It

<sup>1</sup> This minute was sent to Paris on November 15 under cover of a formal despatch, No. 1785.

<sup>2</sup> See Annex.

was not true that the attitude taken by the French Government after the Paris conversations 'a été exposée à Genève dans la déclaration de Sir John Simon'.<sup>3</sup> In fact, Sir John Simon had made no reference in that declaration to the actual disarmament which the French Government were prepared to do, and, though we had repeatedly indicated that we thought it would be helpful if the French Government would make known to the world what they have made known to certain other Governments in confidence, the French Government had never actually done so. The French Ambassador said that this was, of course, absolutely correct, and that the error was due to the wording of the document itself, and not to any misunderstanding of the situation by the French Government.

I then said that I hoped that M. Paul-Boncour would not be more rigid than was imperatively necessary in his declaration that France had made her maximum offer. While this might be true, and was, of course, a matter of policy on which the French Government alone could decide, it might be that subsequently some new form might be given to the same offer, and then, if a rigid attitude had been taken up previously, this would be the more difficult to do. The French Ambassador said that this was largely a matter of a choice of words, but that he was confident that the French Government would not be able, just because Germany had refused their offer, to make to them on that account further concessions.

He said that the French Ambassador in Berlin had told his Government in Paris that he was now pessimistic as to the possibility of drawing the German Government back within the orbit of the Disarmament Conference. The French Government were convinced that it was the intention of the German Government to persist in the making of exorbitant demands to render their inclusion in work at Geneva impossible.

The Ambassador then apologised for referring to an old question, which he said he had been asked only this morning to raise again. Was it not now time that we should exchange our information as to German infractions of the Treaty of Versailles? His Government had repeatedly approached us on the subject, and he appreciated that our attitude hitherto had been that, while Germany was still at the Disarmament Conference, we thought it premature to raise this issue; but now, however, that Germany had left the Conference and showed no intention of returning, could we really postpone considering this matter any longer? He presumed that I would have observed that the German press was repeatedly stating that the German Government had carried out fully the Treaty of Versailles, whereas the former Allied Powers had not. This was not true, and the French Government were not satisfied that such a statement should be allowed to pass unchallenged.

A. E.

<sup>3</sup> See Volume V of this Series, No. 455.

*Note from the French Ambassador<sup>1</sup>*

LONDRES, le 10 novembre 1933

M. Paul-Boncour a été très sensible à l'attention qu'a eue Sir John Simon de lui communiquer Mardi dernier certaines parties du discours que ce dernier devait prononcer devant la Chambre des Communes<sup>2</sup> et il souhaite que ses remerciements soient transmis au Secrétaire d'État.

De son côté, le Ministre des Affaires Étrangères désire que Sir John Simon soit informé du sens général des déclarations qu'il va être amené à faire, soit aujourd'hui, soit Mardi prochain, devant la Chambre des Députés, à l'occasion du débat qui s'est ouvert hier sur la politique extérieure du Gouvernement.

M. Paul-Boncour se propose de tenir compte, dans toute la mesure possible, des désirs manifestés par le Gouvernement britannique. Toutefois la lecture du compte-rendu de la discussion qui s'est déroulée hier au Palais Bourbon permet de comprendre l'obligation dans laquelle se trouve le Ministre des Affaires Étrangères de prendre une position extrêmement nette sur les deux points suivants:

1° La France ne peut admettre que le départ de l'Allemagne ait pour conséquence de transporter ailleurs qu'à Genève le débat relatif aux problèmes du désarmement.

Le Ministre des Affaires Étrangères se trouvera ainsi amené à souligner que le Gouvernement français ne saurait considérer, parce qu'il a plu à l'Allemagne de quitter brusquement la Conférence, que celle-ci puisse être dessaisie de la question du désarmement.

2° Aux yeux de l'opinion française, l'attitude qui a été prise par le Gouvernement de la République après les conversations de Paris et qui a été exposée à Genève dans la déclaration de Sir John Simon à laquelle la France avait donné son adhésion, représente le maximum des concessions que la France puisse faire. C'est sur ces concessions mêmes que portent les attaques dont M. Paul-Boncour est actuellement l'objet au Parlement; il sera d'autant plus obligé d'affirmer qu'elles constituent un maximum.<sup>3</sup>

<sup>1</sup> This note was received at the Foreign Office on November 10.

<sup>2</sup> See No. 10, note 3.

<sup>3</sup> In his statement to the Chamber of Deputies on November 14, M. Paul-Boncour said that the revolution in Germany had given rise to risks with which Germany's neighbours must reckon, but this need not prevent them from examining any concrete and precise proposal which might be made; he was ready to discuss matters with Germany through the diplomatic channel. France had chosen to follow a policy of international collaboration but she had a right to require that this should not be a sham. Article 213 of the Treaty of Versailles, apart from the difficulty of enforcing it, was no substitute for a general disarmament convention; any reduction, to be agreed to by France, must however be subject to the organization of supervision.

No. 33

*Sir E. Phipps (Berlin) to Sir J. Simon (Received November 11, 3.15 p.m.)*  
*No. 259 Telegraphic [C 9891/319/18]*

BERLIN, November 11, 1933, 2.47 p.m.

Dr. Brüning wants you to know privately that he is on the run. He was given warning by a friend at Court that he had better disappear for some time or he would be interned. As the authorities have refused him a passport he has gone into hiding but will remain in Germany moving from place to place by night.

His mediary tells me that Herr Hitler fearing a set-back in the Catholic vote in the Rhineland asked Brüning and possibly Marx<sup>1</sup> to allow their names to appear with Hugenberg and Papen on Nazi . . .<sup>2</sup> election list. They declined, Brüning remarking that his services were only available if his country were in actual danger.

The mediary also said that relations between Herr Hitler and Catholic hierarchy had deteriorated. There was even a possibility of a fresh 'Kultur-kampf'.<sup>3</sup>

<sup>1</sup> A former leader of the Centre Party and Chancellor 1923-5 and 1926-8.

<sup>2</sup> The text is here uncertain.

<sup>3</sup> This telegram was repeated to the Vatican by the Foreign Office on November 14 and Sir R. Clive was instructed to watch the situation carefully.

No. 34

*Sir E. Drummond (Rome) to Sir J. Simon (Received November 14, 9.30 p.m.)*  
*No. 330 Telegraphic [C 9960/653/18]*

ROME, November 14, 1933, 8.45 p.m.

Your telegram No. 41 Saving.<sup>1</sup>

Signor Suvich promised me an answer at the earliest possible moment to communication which I made today in accordance with these instructions. As Signor Suvich was particularly interested in attitude of the United States Government, I gave him substance of the whole of Washington telegram No. 588<sup>2</sup> but in referring to fact that United States Government did not favour request for written assurances from German Government I explained that His Majesty's Government considered procedure which United States Government were adopting conformed in essentials to their own. I insisted that we were only asking for measures to ensure execution of Paris Air Agreement and not for any new engagements. I fear that Italian Government may raise difficulties as to written assurances and are likely to follow American line.

<sup>1</sup> No. 30.

<sup>2</sup> No. 1.

### No. 35

*Mr. Patteson (Geneva) to Sir J. Simon (Received November 15, 9.30 a.m.)*  
*No. 407 L.N. Telegraphic [W 12965/40/98]*

GENEVA, November 15, 1933, 1.45 a.m.

Following from Mr. Strang:—

My immediately preceding telegram.<sup>1</sup>

Brigadier Temperley had a long conversation with Mr. Henderson after lunch today<sup>2</sup> of which following is the gist:—

Mr. Henderson felt he had reached a point when he could not go on any longer without more support from the Great Powers. His threat of resignation was to be interpreted in the first instance as a spur to the Governments to face realities of the situation and make up their minds about disarmament. He might ultimately have to put his threat into effect. He quite understood why the Secretary of State had not come to the meeting of the Bureau and did not blame him for staying away when he found that no other Foreign Minister would attend. He had now received assurances from M. Boncour that the latter would be prepared to take part in conversations as soon as debate in the Chamber was finished. This would mean that M. Boncour would probably be free after Wednesday.<sup>3</sup> Mr. Henderson hoped very much that there would be conversations in Paris on Thursday or Friday between French and British Ministers. He might perhaps go to Paris himself but it was in his mind to send M. Politis<sup>4</sup> to represent him. Perhaps M. Benes<sup>5</sup> might also come from Prague for the same purpose.

<sup>1</sup> Not printed.

<sup>2</sup> This telegram was drafted on November 14.

<sup>3</sup> November 15.

<sup>4</sup> Greek delegate to, and Vice-President of the Disarmament Conference.

<sup>5</sup> Dr. Benes was *rapporteur* of the General Commission of the Disarmament Conference.

### No. 36

*Sir E. Drummond (Rome) to Sir J. Simon (Received November 15, 2.50 p.m.)*  
*No. 332 Telegraphic [W 13008/40/98]*

ROME, November 15, 1933, 2.10 p.m.

My telegram No. 331.<sup>1</sup>

Signor Suvich, being probably disturbed at possible effect which references to the League of Nations in Signor Mussolini's speech might produce abroad,

<sup>1</sup> Not printed. In this telegram Sir E. Drummond reported briefly Signor Mussolini's speech to the National Council of Corporations on November 14. Signor Mussolini said that Europe must reach agreement within herself in order to control civilization, but this could only be done if grave injustices were remedied. He declared that the League of Nations had lost everything that could give it political effectiveness. Russia, the United States, Japan, and Germany were absent; the principles of the League though impeccable in theory were absurd when analysed. The Treaty of Locarno had nothing to do with disarmament, and silence had lately surrounded the Four-Power Pact. Italy did not intend to resume the initiative.

in my conversation with him yesterday evening was at pains to explain that what Signor Mussolini had in mind was hopelessness of continuing negotiations at Geneva at present juncture; they would therefore have to be undertaken elsewhere. Signor Suvich went on to impress upon me that this view did not mean in any way the elimination of Geneva from disarmament negotiations and conversations but it was necessary at present juncture to endeavour to persuade the French Government (he added that this seemed to be a task which could be better undertaken by my Government than by his own) to prepare the way for further negotiations in Geneva by discussion elsewhere. It was necessary for the great European Powers to co-operate for this purpose and he hoped that result might be that they would return to Geneva, in common with outline of an agreed scheme. The prestige of Geneva was being seriously affected by what was happening, but if arrangements could be made by which Geneva could ultimately sponsor success, that prestige would not only return but be enhanced.

The expression of Signor Mussolini's views yesterday on present situation of the League of Nations was unexpectedly outspoken if not indeed disconcertingly frank. I cannot pretend to elucidate reasons which prompted this outburst but I surmise that temperament possibly accompanied by overwork in connexion with corporations played its part following on apparent failure of undoubted efforts which Head of Government has made for months past to use his influence on the side of compromise and accommodation all round. Moreover Signor Mussolini has always been intolerant of potential powers of interference possessed by small Powers at Geneva and it is fairly clear that it is this intolerance which is leading him to press for negotiations elsewhere. Signor Suvich remarked to me yesterday that it was impossible for Great Powers to come to agreement when Poland and the Little Entente were continually interfering.

For further information respecting Italian views on disarmament see my immediately following telegram.<sup>2</sup>

<sup>2</sup> No. 37.

### No. 37

*Sir E. Drummond (Rome) to Sir J. Simon (Received November 15, 4.50 p.m.)*

*No. 333 Telegraphic [W 13013/40/98]*

ROME, November 15, 1933, 4.25 p.m.

My immediately preceding telegram<sup>1</sup> and Berlin telegram No. 258.<sup>2</sup>

Signor Suvich asked me yesterday what we were to do about disarmament. Geneva was paralysed; it was useless to continue to take steps on technical questions there when large political issues were undecided. As I knew, instructions had already been sent to Italian representative in this sense. An illustration of danger of continuing discussions was afforded by statement

<sup>1</sup> No. 36.

<sup>2</sup> No. 29.



made on November 13 by (? Japanese representative)<sup>3</sup> that his country was opposed to control. I took opportunity of remarking that I understood Germany might not be opposed to control if her present *desiderata* were met. Signor Suvich replied that neither letter from Chancellor to Head of Government nor General Göring himself had mentioned control question and Italian Government had deliberately refrained from doing so during General's visit. Italian Government were however in favour of some system of control and inspection but thought that this control should only be exercised in regard to construction of new material. For instance, supposing Germany already possessed a small amount of material beyond limit permitted by Treaty of Versailles, we should in the view of the Italian Government shut our eyes to this excess; but any construction should be carefully controlled. Such provisions should of course apply to all countries alike.

I made no comment on this last suggestion but it is clearly one which might be represented as degree<sup>4</sup> of rearmament already achieved by Germany. The guiding principle here seems to be stark realism.

<sup>3</sup> The text is here uncertain.

<sup>4</sup> The text here appears to be incomplete.

### No. 38

*Sir J. Simon to Sir E. Drummond (Rome)*

*No. 967 [W 13073/40/98]*

FOREIGN OFFICE, *November 15, 1933*

Sir,

Signor Grandi saw me today on his return from Italy. He expressed himself as very much touched by the trouble that had been taken to arrange for his projected Indian tour and his regret that it had had to be postponed. Signor Mussolini considered that in the present difficult situation of European affairs he could not be spared from his post in London, and I told him how glad we were to have his personal co-operation at this end.

2. The Ambassador said that it would be a mistake to regard Signor Mussolini as taking the view that the Disarmament Conference had exhausted its usefulness. He did, however, think that it could not do useful work at Geneva at present. What was necessary was to arrive at solutions of some of the present political difficulties of Europe by other means and try to build up prospective conclusions, which could then be brought together at Geneva with a view to getting the Disarmament Conference to adopt them.

3. I pointed out to Signor Grandi that last September we were happy to find indications that the French and Italian views as to the shaping of a Disarmament Convention were in close accord. Our own willingness to accede to some suggestions which were then made was based on this fact. We had not, of course, abandoned the main lines of the British Draft Convention, nor had other parties to recent conversations. We must, however, now face a modified situation because there was no longer any very close agreement between France and Italy as to the appropriate procedure and, perhaps,

as to the terms of suitable proposals for adjustment. Our own co-operation in the work of disarmament had been carried on in accord with other Powers, and we were anxious that any differences of view which had since developed between other members of the Conference should not interfere with our co-operation with all. I thought it would be very helpful if Signor Grandi, who knows Mr. Henderson well, could find an opportunity of explaining to him that the Italian attitude was not one of refusing participation in the full work of the Conference, but was inspired only by the belief that the next stage would be better handled in other ways. The Ambassador said that he would consult his Government, but was himself very willing to make this plain to Mr. Henderson.

4. I referred to reports in the English newspapers of Signor Mussolini's strongly expressed declaration yesterday on the subject of the League of Nations.<sup>1</sup> Signor Grandi said that there was no reason to take an adjective like 'absurd' too tragically. The Italian adjective was less condemnatory and Italians allowed themselves a freedom of epithets which was not always understood in northern climes. Besides, Signor Mussolini was speaking as head of the Fascist organisation rather than in his character as Foreign Secretary.

5. As to Italian views or intentions for the next step about disarmament, the Ambassador said that he had no information. He did not know whether Signor Mussolini had formed any definite views on the subject. The letter from Herr Hitler which General Göring had brought to Rome and General Göring's own conversation had not, he thought, indicated any views from Berlin. These communications were primarily for the purpose of meeting Signor Mussolini's considerable annoyance at Germany having suddenly withdrawn from the conference without previously informing or warning Italy at all. But, as I understood from the Ambassador, no very definite conclusions about disarmament resulted.<sup>2</sup>

I am, &c.,

JOHN SIMON

<sup>1</sup> See No. 36, note 1.

<sup>2</sup> The substance of this despatch was telegraphed to Rome in Foreign Office telegram No. 376 on November 18.

### No. 39

*Sir E. Phipps (Berlin) to Sir J. Simon (Received November 16)*

*No. 1128 [C 10036/319/18]*

BERLIN, November 15, 1933

Sir,

I have the honour to report that the referendum and the new Reichstag elections, which took place on the 12th instant, resulted, as you will have seen in the press, in a 90 per cent. vote for the foreign policy of the Government. The internal policy of the new régime was a comparatively minor

issue, and though the vote in figures showed that at least 1 million voters drew a distinction between the referendum and the election, it is probable that the bulk of the electorate confused the two issues—if there were two. This confusion was only natural, for though the referendum was understood in the first instance to refer to foreign policy only, the voting formula was subsequently changed to cover both the foreign and internal policy of the Government (see my despatch No. 1111, paragraph 8 of November 11).<sup>1</sup> In the case of the Reichstag election the public were at first disposed to regard it as a kind of referendum on the internal policy of the Government, for the term 'election' seemed, even to Germans, to be inapplicable to a contest in which the Government list was unopposed. The election speeches delivered subsequently by Herr Hitler did not bear out this view. They did not raise any internal issue, but stressed again and again questions of foreign policy. Dr. Goebbels, in response to numerous enquiries, tried to explain the idea of a one-sided election, but without much success. It seems to have been imported, like so many Nazi ideas, from Fascist Italy, where, I believe, one was held in 1928 with even more favourable results for the Fascists.

2. There were on this occasion a little over 45 million voters on the register. Of these, 40.6 million voted in favour of the Government on the referendum, and 39.6 voted for the Reichstag list. In the one case  $4\frac{1}{2}$ , and in the other case  $5\frac{1}{2}$ , million opposed the Government or remained away. Assuming that half a million were genuinely prevented by extreme age or illness—the Nazis accepted very few excuses—the number of dissentients was roughly 4 million in the one case and 5 in the other. This result was a foregone conclusion, and, indeed, the only ground for surprise is the fact that the electorate, after an unexampled campaign of propaganda, were not entirely of one mind. Roughly, one out of every ten Germans had the moral courage to vote against Herr Hitler. It is more difficult for those familiar with recent developments in Germany to explain how the tenth man had the hardihood to vote against the régime than to explain why the other nine supported it.

3. What significance is to be attached to the election? It can only be said with certainty that a very large majority of Germans have signified their approval of the policy of the Administration in the matter of the League and disarmament. For that matter, any Administration during the last five years could have won a cheap victory by quitting Geneva, especially on such a popular issue as disarmament. As far back as 1929 so staunch an advocate of the League as Dr. Stresemann threatened in so many words to withdraw from Geneva on this same issue: 'In view of the stage now reached (in disarmament at Geneva) . . . only one last hope remains. . . . Should that hope fail, and should a hearing be denied to the wishes of all people for disarmament, then those Governments are responsible for a development to which I, for my part, can only look forward with the greatest anxiety.' (Sir Horace Rumbold's despatch No. 325 of May 9, 1929.) The decision to leave the Disarmament Conference and the League was extremely popular on this

<sup>1</sup> Not printed. This despatch reported Herr Hitler's speech of November 10. For the change in the voting formula see Volume V of this Series, No. 492.

occasion, not only with the Hitlerites, but also with many of the former adherents of the moderate parties. For these regard the failure of the League to act up to the hopes based on it, not only in the matter of disarmament, but of frontier adjustment, as one of the major causes of the defeat of the parliamentary system in Germany. Some of them even felt that on this occasion they were avenging themselves on the League for its manifold delinquencies in the past.

4. Not that the Government confined the issue to the League and disarmament questions. As the four weeks elapsed, the electoral campaign became more and more a 'khaki' campaign. Everywhere throughout the country the patriotic drum was beaten. In the cities, in addition to the very popular 'Lloyd George' poster,<sup>2</sup> broad strips of white cloth, stretched between suitable supports, bore such slogans as 'We want honour and equality!' ('Wir wollen Ehre und Gleichberechtigung!'); 'We do not want to be a second-class nation!' 'Germany's dead demand your vote!' 'Vote for those who died for you!' In Berlin, Frankfurt and Munich war cripples in bath chairs exhibited posters bearing the words: 'Have you given your vote for Hitler? If not, our sacrifice has been in vain.' Popular pacifist slogans were also exhibited, especially in Berlin, Hamburg and the Ruhr: 'Vote with Hitler against the folly of rearmament!' ('Rüstungswahnsinn'); 'Vote for Hitler and peace!'

5. It will therefore be evident that the opponents of the Government's internal policy could salve their consciences and cast both votes for Hitler, as the internal issue during the final ten days was definitely subordinate to that of foreign policy.

6. It is equally clear that the Nazi party have obtained fresh support in a general sense. To estimate that support in figures is impossible. It seems obvious that 5 or 6 million Communists and 10 million Socialists have not been converted to Hitlerism in the short space of nine months, during which the Government have not done anything epoch-making. It must therefore be assumed that many millions of votes were registered by them for the Government out of a comprehensible wish to avoid trouble. This was especially the case with adherents of the Centre party and the former German National party, who now nourish a deeper hostility to the present régime than the members of the other *bourgeois* parties. Individual voters, when asked how they would vote, invariably replied that the Government would get a majority anyhow, that they would merely be running a useless risk in opposing them, and that they would therefore support them. In country districts near Berlin intimidation was rife, and a local Social Democrat leader told a member of my staff that, although the ballot was absolutely secret in his opinion, yet it would be unsafe to vote against the Government for obvious

<sup>2</sup> This poster consisted of quotations from speeches by Mr. Lloyd George, including the following: 'The most abominable breach of Treaty obligations in the history of the World'; 'The right is on Germany's side'; 'Could any self-respecting nation do otherwise than Germany is doing?'; 'How long would we English tolerate such a humiliation in similar circumstances?'

reasons. In his area there were, he said, sixty-five Social Democrats and sixteen Communists. If eighty persons abstained from the Reichstag vote the local Nazi leader would have no doubt whatever about the identity of the guilty parties. It would be unfair to their wives and dependants to challenge the party in a childish way.

7. It might be said as a general rule that anybody in a dependent position considered it unsafe to vote against the Government lest the fact should transpire and involve dismissal. So many people have lost their positions for political reasons during the last nine months that few would regard such a risk lightly. Pressure was brought to bear on the voter by the party machine up to the moment that he entered the polling booth, where the voting itself was undoubtedly secret. To find instances of the efficiency of the organisation it is not necessary to go outside the immediate circles of this Embassy. A British-born chauffeur with a German wife received no less than five 'control' visits from party delegates during the voting day. The explanation that he was a foreigner satisfied all but the last-comers, who informed him that his name and that of his wife were nevertheless on the register, and that they must vote for Hitler. The pair were then escorted to the polling booth. The husband voted against Hitler; the wife, at the last moment, became too frightened and voted for the Government. Moral pressure seems to have been overdone in some cases, notably, in the concentration camps. The figures show that Dachau, for instance, voted nearly 100 per cent. for Hitler, a success which Nazi leaders now find it embarrassing to explain. The party machine had the country so firmly in its grasp that, as stated above, it is hard to explain how one man in ten escaped from it. German organisation is proverbial, but on this occasion it beat all previous records. The halt, the lame and the blind were taken by willing hands to the polling booths.

8. It would be impossible within the compass of a despatch to give any idea of the electoral campaign itself. For the first time the Government and the party were able to co-operate and pool their resources in the struggle. All State officials and employees, particularly school teachers, were enjoined by their respective Ministers to leave no stone unturned to help the Government. President von Hindenburg himself issued a stirring appeal for 'peace, honour and equality' for the German people, and urged his countrymen to support the Government and the Chancellor. Neither the Chancellor nor his Ministers spared themselves. Hitler's personal efforts were, if anything, greater than ever before. His final speech, to which the population as a whole were compelled to listen, was a masterpiece. It was worded in such a way that even the illiterate could grasp it. It was meant to appeal to the factory workers in particular, and it fulfilled its aim to a remarkable extent. It was delivered in circumstances which were unforgettable. With characteristic ruthlessness, Dr. Goebbels seized on two features of the British Armistice celebration—the two minutes' silence, and the sale of poppies—to aid Hitler in his last assault. When the Chancellor rose to deliver his final speech silence for one minute descended, as ordained, throughout the country. Two days later, on polling day, voters were required to purchase a little plaque marked

'Ja' to wear as a sign that they had done their duty, and that there was no need for the S.A. to importune them further.

9. The voting itself was conducted in such a manner that there was no possibility of violating the secrecy of the ballot. A member of my staff succeeded, though not without some parley, in obtaining specimens of the voting papers on explaining that he was a foreigner and desired them as souvenirs. That the official was ready to part with them seems to preclude any possibility of secret numbering or the use of invisible ink. There are certain forms of dishonesty which seem repugnant to the national character of each country. Such deliberate dishonesty as water-marked ballot papers is probably foreign to the German temperament, which is quite prepared, on the other hand, to condone an election at which there is only one party, or to call an exhibition of ball-punching a prize-fight.

10. Figures giving the results of the voting in the constituencies are appended.<sup>3</sup> It will be seen that despite the fear of the Government that recent friction with the Vatican might lose them a portion of the Catholic vote, Bavaria, the Rhineland and other Catholic districts polled more heavily in favour of the Nazi Reichstag list than many of the northern districts, such as Berlin, Hamburg and Hanover. Nevertheless, it is noticeable that the Catholic districts showed relatively a larger proportion of votes for the referendum than for the Reichstag elections. If any conclusion can be drawn from the figures, it is that the bulk of the opposition came from the Communist or extreme radical section of the electorate.

11. In conclusion, it must be observed that no account of the 'electoral' campaign would be complete without some mention of the lies served up daily to the worthy German voter from start to finish in the press.

I have, &c.,

ERIC PHIPPS

<sup>3</sup> Not printed.

## No. 40

*Lord Tyrrell (Paris) to Sir J. Simon (Received November 16, 4.45 p.m.)*

*No. 105 Telegraphic [W 13054/40/98]*

PARIS, November 16, 1933, 1.50 p.m.

M. Paul-Boncour released from continuous attendance in the Chamber asked me to go and see him yesterday evening to discuss the disarmament situation.

2. In the course of conversation he made the following points either spontaneously or in reply to questions which I put to him.

3. The French Government are convinced that Germany, whatever artifices she may employ in the hope of breaking up the common front of October 14, has finally cut adrift from the Conference and that even further concessions would not bring her back. *A fortiori* any mere re-arrangement of

September concessions would be unavailing and would simply encourage her to persevere in her present attitude.

4. In no circumstances can the French Government increase the September concessions. They do not cling rigidly to forms or phrases; they would be willing for instance to omit any mention of two periods but in effect the periods must remain.

5. In these circumstances the French Government see no alternative but to continue negotiations for a comprehensive convention. They realise that no agreement had been reached on a number of points but they think that these should present no insuperable difficulty. They would still require some guarantee of execution but would be content with some fairly wide formula such as they think His Majesty's Government would be able to agree to. They think that to go on with the Conference notwithstanding Germany's absence will not only be demanded by public opinion but is the only thing which may have some restraining influence on Germany. They believe that if Great Britain and France are firmly resolved to carry on at Geneva, Italy will make no further difficulty.

6. The French Government are ready as announced by M. Boncour in the debate to listen to any proposal which the German Government might make to them but it must be through diplomatic channels; in no circumstances would they engage in a meeting between Ministers until the ground had been fully prepared. They do not in fact believe such conversations could lead to any result unless France was prepared to give away her case.

7. Though these views do no more than confirm what I have already reported I think it well to inform you none the less. M. Boncour emphasized that some decision must be taken soon as it would be deplorable if Mr. Henderson were to resign. He was evidently keenly anxious for some indication of attitude of His Majesty's Government.

8. He handed me the promised note expanding the French Government's answer to questions which I put to them in accordance with instructions contained in your telegram No. 223.<sup>1</sup> Summary follows by telegram<sup>2</sup> and text by bag.<sup>3</sup>

Repeated to Berlin, Rome and Geneva.

<sup>1</sup> No. 16.

<sup>2</sup> Not printed.

<sup>3</sup> See No. 46.

## No. 41

*Lord Tyrrell (Paris) to Sir J. Simon (Received November 16, 8.30 p.m.)*

*No. 107 Telegraphic [W 13056/40/98]*

PARIS, November 16, 1933, 6.25 p.m.

My telegram No. 105.<sup>1</sup>

M. Boncour reminded me that immediately after Germany's withdrawal from the Conference you had warned him you might ask whether the French Government had any objection to publication in a Blue Book of French

<sup>1</sup> No. 40.

concessions as described in September conversations. He wondered whether you still intended to publish a Blue Book. French Government would see no objection, indeed certain advantages, in publication of the full story, including a description of the French concession[s].<sup>2</sup>

<sup>2</sup> No Blue Book on the Disarmament Conference was published at this time. The record of the proceedings of the Bureau on October 14 had been issued as a White Paper, Cmd. 4437 of 1933.

#### No. 42

*Lord Tyrrell (Paris) to Sir J. Simon (Received November 16, 7.30 p.m.)*  
*No. 108 Telegraphic [W 13057/40/98]*

PARIS, November 16, 1933, 6.25 p.m.

My telegram No. 105.<sup>1</sup>

M. Boncour asked me again to impress upon you that the reluctance of the French Ministers to go to London implied no lack of courtesy. Above all they were anxious not to interrupt close and friendly contact hitherto maintained. It was simply that they realised that at present moment the visit could lead to no concrete result and would consequently arouse great disappointment on all hands.

<sup>1</sup> No. 40.

#### No. 43

*Lord Tyrrell (Paris) to Sir J. Simon (Received November 16, 9.50 p.m.)*  
*No. 109 Telegraphic [W 13072/40/98]*

PARIS, November 16, 1933, 7.20 p.m.

My telegram No. 105.<sup>1</sup>

M. Boncour's remarks represent considered views of French Government formulated before debate and maintained since its conclusion. For reasons which I have previously explained, in particular fearing that removal of the problem of disarmament from sphere of the League of Nations would deal a mortal blow at that institution and throw Europe into confusion, they will maintain it [them] so long as it is possible to do so.

2. At the same time there are signs that movement in favour of a separate arrangement with Germany is gaining ground. Several newspapers (including 'Matin') have openly discussed its merits. Even more significant was atmosphere in the Chamber on the conclusion of Committee. I am told that a profound depression reigned and that there was a feeling of free expression in lobbies that in the light of the conflicting currents manifest in British public opinion<sup>2</sup> and of indecision which has characterized pronouncements

<sup>1</sup> No. 40.

<sup>2</sup> At a by-election at East Fulham on October 25, which was fought largely on the question of disarmament—the Labour Party candidate expressing strong pacifist views—the Government lost the seat which they had previously held by a large majority.



made on behalf of His Majesty's Government since Germany's withdrawal from the Conference France can no longer count on support of Great Britain in resisting German rearmament and that in these circumstances she may soon be compelled to make the best terms she can with Germany on her own account. No one here believes a Franco-German discussion could lead to any proposal permitting of Germany's return to the Conference in conditions favouring conclusion of a reasonable convention. They think that it could only lead, if it led to anything, to an arrangement based on a substantial measure of German rearmament and involving general reorientation of French policy. But such arrangement which would be acceptable to Germany if it represented a triumph for Hitlerism would at least stave off an unfettered race in armaments in which in the long run France must be worsted.

3. It is too early as yet to say how far this movement has gone. I should say not far at present but we must not exclude possibility that it may take on a rapid momentum if belief gains ground that His Majesty's Government are either disinteresting themselves in collective action or anxious to see Germany satisfied by offer of further French concessions.

#### No. 44

*Minute by Mr. Eden<sup>1</sup>*

[W 13149/40/98]

FOREIGN OFFICE, *November 16, 1933*

I asked the German Ambassador to come and see me this afternoon, that I might tell him that Sir John Simon and I were going to Geneva to-morrow, where we intended to engage in conversations to determine the future work of the Disarmament Conference. Sir John had not wished him to learn this from the newspapers, and our meeting was the result.

The Ambassador, after thanking me for the information, entered upon a long defence of the German Government's recent attitude. He maintained that the offer of the 14th October was an unhappy modification of our Draft Convention, which made use of Germany's two concessions in the first period (transformation of the Reichswehr and supervision), while France and the other nations would not do their share until the second period. Germany would never submit to unilateral supervision. I replied that Germany had never been asked to submit to any such thing. While Germany was transforming her Reichswehr, France and other nations of continental Europe would have been carrying out their part of the arrangements in our Draft Convention in respect of effectives. Moreover, all the nations were to agree not to construct or acquire any more of the weapons to be forbidden in the Convention. This would have had to be supervised in all countries. The Ambassador retorted that France, at least, had so many weapons already that she did not wish to make any more, and supervision of this kind was

<sup>1</sup> The substance of this minute was telegraphed to Berlin in Foreign Office telegram No. 221 on November 20.

not comparable with that imposed on Germany. The German Government really thought that in agreeing to the transformation of the Reichswehr they had made a great concession and that they had not been fairly treated in being asked to accept two periods. I replied that it seemed to me that Baron von Neurath's objection was not to two periods, but that the difference when the conversations closed between us at Geneva was as to samples in the first period.

The Ambassador then rehearsed with me Prince von Bismarck's conversation with Sir John Simon.<sup>2</sup> I replied that all this concerned the past, but that it was the future which was really important. This was an informal conversation, and had the Ambassador anything to say about the future? He said he thought that the position of the Conference was very difficult. English public opinion seemed to him to be living in a sphere of illusion. We were willing to see German equality, but we were opposed to German rearmament. Since the French would not disarm, how could these theses be reconciled? If France was determined to keep all her material, then the German Chancellor had explained to Sir Eric Phipps what the German requirement would be. He begged me to believe that the Chancellor's desire for peace was sincere. His statements to that effect were not only made for foreign consumption. They had been the theme of the posters which had been used in the recent German election. I replied that, if this was Germany's desire, it was difficult to understand their withdrawing from the League. The Ambassador explained that it was all due to Germany's reaction against what she regarded as unfair treatment. When he had seen me in the summer I had impressed upon him, and so had Mr. Norman Davis, the necessity for agreeing to the transformation of the Reichswehr. When the German Government had agreed, there was applause for a day or two, but then no French concessions. I replied that I could not agree to this version of the facts. As he knew, the French Government had, in fact, offered very considerable concessions as to disarmament in the second period. The Ambassador did not deny this, but reiterated that it was the period of waiting that the German Government found impossible to accept.

A. E.

<sup>2</sup> The reference is presumably to Prince von Bismarck's interview with Sir J. Simon on October 6. See Volume V of this Series, No. 434.

## No. 45

### *Aide-mémoire communicated by the French Embassy<sup>1</sup>*

[C 10339/245/18]

AMBASSADE DE FRANCE, LONDRES, le 16 novembre 1933

A deux reprises, au cours de l'été dernier, au mois d'août d'abord, puis le 15 septembre suivant, l'Ambassade de France a eu l'honneur de communiquer au Foreign Office une liste des principales violations aux clauses

<sup>1</sup> This *aide-mémoire* was sent by M. Cambon to Mr. Sargent on November 16.

militaires et aériennes du Traité de Versailles commises par l'Allemagne, en demandant au Gouvernement britannique si le moment ne paraissait pas venu d'obtenir de Berlin des réponses précises sur les buts de la politique militaire que poursuit le Reich.<sup>2</sup>

La question a été rappelée à Sir John Simon au cours de son séjour à Paris, le 25 [22] septembre dernier,<sup>3</sup> et le Secrétaire d'État au Foreign Office a bien voulu, à cette occasion, déclarer qu'il ne tarderait pas à faire connaître le point de vue du Gouvernement britannique à cet égard. Depuis cette date, l'attention des services compétents du Foreign Office a été appelée à plusieurs reprises sur cette affaire par les soins de l'Ambassade.

En se référant à ses diverses communications écrites ainsi qu'aux conversations qui les ont suivies, l'Ambassade de France a l'honneur de signaler au Foreign Office le prix tout particulier qu'attache le Gouvernement de la République à connaître dans le plus bref délai possible la réponse du Gouvernement britannique.

<sup>2</sup> Not printed.

<sup>3</sup> See Volume V of this Series, No. 406.

#### No. 46

*Lord Tyrrell (Paris) to Sir J. Simon (Received November 17)*

*No. 1590 [W 13076/40/98]*

PARIS, November 16, 1933

His Majesty's Representative at Paris presents his compliments to the Secretary of State for Foreign Affairs, and, with reference to Paris telegrams Nos. 105<sup>1</sup> and 106<sup>2</sup> of November 16, has the honour to transmit to him a note from the French Ministry for Foreign Affairs respecting French disarmament policy.

<sup>1</sup> No. 40.

<sup>2</sup> Not printed.

#### ENCLOSURE IN No. 46

*Note communicated by French Ministry for Foreign Affairs*

PARIS, le 15 novembre 1933

En réponse à la communication qui lui a été faite oralement, le 8 de ce mois,<sup>1</sup> au sujet des problèmes soulevés par la procédure actuellement en cours à la Conférence du Désarmement, et pour compléter les premières indications, de portée générale, qui ont déjà été données à l'Ambassade de Grande-Bretagne, le Ministère des Affaires étrangères a l'honneur de lui fournir les précisions suivantes:

1. Le Gouvernement français considère que le geste de l'Allemagne, rompant à la fois avec la Conférence du Désarmement et avec la Société des Nations elle-même, ne suffit pas pour délier les Puissances de l'obligation que

<sup>1</sup> See No. 27.

leur impose l'article 8 du Pacte de la Société des Nations d'aboutir à une convention de limitation générale des armements. Elles ne sauraient donc se soustraire à aucun effort pour atteindre ce but, et quand même le résultat de cet effort devrait demeurer finalement vain du fait de l'Allemagne, encore importerait-il d'avoir fait apparaître les véritables responsabilités.

2. Convient-il de donner aux décisions sur lesquelles se ferait l'accord la forme d'un projet complet de convention? Y a-t-il lieu, plutôt, de se borner à l'énoncé — suffisamment précis — d'un certain nombre de principes? Nous inclinons à la première solution sans cependant écarter la seconde, si la première se révélait impossible.

Sans doute peut-on craindre, d'une part, que l'élaboration d'un projet définitif ne fournisse à l'Allemagne un prétexte pour soutenir que l'on cherche à la mettre en présence d'un fait accompli. Mais, d'autre part, une critique malveillante pourrait être aussi tentée de voir, dans la simple énonciation d'un certain nombre de principes, un prétexte choisi par les Puissances pour se dérober à la mise au point d'une convention. En fait, dans les récentes réunions de Genève, les tendances favorables à la rédaction d'un projet complet ont paru l'emporter.

3. Le Gouvernement de Sa Majesté s'est montré plus particulièrement soucieux de savoir si le Gouvernement de la République entend[a]it toujours que toute convention complète élaborée à Genève pût enregistrer les chiffres envisagés dans les dernières conversations, et dût comporter la répartition en deux périodes de l'exécution des engagements souscrits. Il déclarait au surplus douter sérieusement de l'opportunité de renouveler sous la même forme, au Gouvernement allemand, une offre que celui-ci a déjà écartée.

En raison même de leur importance, les questions ainsi soulevées nécessitent une réponse aussi claire et précise que possible.

Les propositions que le Gouvernement français a mises en avant, dans les conversations de septembre dernier, constituaient un tout: les importantes réductions d'armements qui s'y trouvaient prévues étaient liées, d'une part à l'acceptation de certains principes en matière de contrôle et de garanties d'exécution, d'autre part à la reconnaissance du fait que, dans les circonstances actuelles, des réductions de matériel ne peuvent intervenir qu'à l'issue d'une période de quatre années, dite 'période d'épreuve', durant laquelle il serait procédé à la transformation des armées continentales ainsi qu'à l'organisation et à la mise en train d'un contrôle effectif.

Le départ de l'Allemagne de Genève n'a pas modifié, à cet égard, les vues du Gouvernement français; il maintient les réductions d'armements qu'il avait envisagées, mais dans les termes mêmes où il les a prévues, c'est-à-dire en liaison étroite avec les conditions ci-dessus rappelées. S'il apparaissait que ces conditions ne peuvent être remplies, la situation se trouverait entièrement modifiée.

Il n'est pas dans la pensée du Gouvernement français de s'arrêter, dans des circonstances aussi sérieuses, à des questions de forme: si le Gouvernement britannique estime que la désignation nominale des deux périodes, tel [le] qu'elle a été jusqu'ici énoncée, doit constituer l'obstacle principal à une

adhésion de l'Allemagne, le Gouvernement français ne se refusera pas à la recherche d'une autre formule, mais il devra être bien entendu que, pratiquement, dans les deux cas, le résultat obtenu sera le même et le même délai observé avant les réductions convenues.

Dans les conversations de Paris, les représentants de la France ont eu l'occasion de déclarer que, soucieux avant tout d'éviter, en pareille discussion, des marchandages peu compatibles avec l'importance des problèmes posés, ils auraient décidé d'énoncer dès l'abord et sans réticence le maximum de concessions qu'il leur était, ou leur serait jamais possible d'envisager. Il ne faut donc point attendre du Gouvernement français qu'il aille aujourd'hui au delà. Aussi bien les événements qui se sont produits, au cours du dernier mois, ne sont-ils point de nature à l'y encourager, le geste injustifié de l'Allemagne ne pouvant être invoqué à l'appui d'aucune proposition tendant à obtenir des Puissances de nouveaux sacrifices en matière de désarmement, non plus que l'acceptation d'un réarmement allemand. Agir autrement, serait encourager à coup sûr le Gouvernement allemand à de nouvelles initiatives qui ne tarderaient pas à mettre en péril les bases mêmes de la paix.

#### No. 47

*Sir E. Drummond (Rome) to Sir J. Simon (Received November 17, 3.0 p.m.)*

*No. 335 Telegraphic [W 13121/40/98]*

ROME, November 17, 1933, 2.10 p.m.

Berlin despatch No. 1037.<sup>1</sup>

German Ambassador emphasised very strongly to me this morning that *desiderata* as to 300,000 men, etc. were only indicated by Chancellor as possible alternative if general disarmament which Germany greatly preferred was impracticable. Although German attitude is certainly well known to you, in view of Ambassador's insistence on the point I have thought it right to inform you.

Repeated to Geneva and Berlin.

<sup>1</sup> See Volume V of this Series, No. 489.

#### No. 48

*Lord Tyrrell (Paris) to Sir J. Simon (Received November 21)*

*No. 1601 [C 10281/245/18]*

PARIS, November 17, 1933

Sir,

I have the honour to transmit to you herewith copies of two interesting memoranda prepared by the Military Attaché to His Majesty's Embassy on recent conversations he has had at the Ministry of War on the question of disarmament.

2. I would draw special attention to the fact that the conversations were confidential and should not be quoted.

I have, &c.,  
TYRRELL

ENCLOSURE I IN No. 48

*Colonel Heywood to Lord Tyrrell*

(No. 973 (3/K))

PARIS, November 11, 1933

In continuation of my memorandum No. 959 (3/K)<sup>1</sup> of the 9th November, 1933, I beg to report to Your Excellency that when I called for Colonel de Lattre at his office yesterday evening, General Weygand's Chief of Staff asked to see me. I had only met General Corap once previously, when I was introduced to him on first taking up my appointment. We had a general discussion on the situation, which was very much on the lines of my interview with General Weygand a fortnight ago (see my despatch No. 914 (3/K)<sup>2</sup> of the 25th October), but General Corap gave me some interesting items of information.

2. The figures given by M. Mandel in his speech in the Chamber the previous night had all been checked by the General Staff that day and passed as correct, and, if anything they were rather understated. The most disquieting feature[s] of Germany's preparations were:—

- (a) The enormous increase in imports of raw materials required for war manufactures since the consolidation of the Hitler régime.
- (b) The definite information which they now had that German aircraft factories were making all the necessary arrangements to turn out aircraft *en série*, that is, on mass production principles, which, he pointed out, neither England nor France were capable of doing. All the eighteen aircraft factories which existed in Germany at the end of the war were now working again, and the construction of aircraft engines was being undertaken by ordinary motor car factories.
- (c) The rapidly increasing number of guns available; this, however, was the point about which their information was least precise; they were certain that the Germans had at least 2,000 divisional artillery guns ready, including the normal number of 155-millim. calibre weapons; they had information that this number had lately been increased to 5,000, but of this they had not been able to obtain confirmation.
- (d) The training of the S.S. and S.A. was improving rapidly—145,000 of them served permanently, whilst the majority of the balance was receiving intensive week-end training.

He also drew my attention to the very early age at which German generals were retired (57 for lieutenant-generals). There were two categories of retired officers in the German army; whilst serving in the first category these

<sup>1</sup> This memorandum does not appear to have been forwarded to the Foreign Office.

<sup>2</sup> i.e. Colonel Heywood's report No. 17, printed as Enclosure in No. 508 in Volume V of this Series.

officers were liable to recall, were allotted mobilisation appointments and their retired pay was on a very high scale; on reaching the age at which they ceased to be liable to recall they passed into the second category and were placed on a reduced and more normal scale of pensions.

3. In my subsequent talk with Colonel de Lattre, he mentioned that the French General Staff had hitherto thought that Germany could not be ready to wage war from the industrial and armament points of view for another five or six years. Their latest information, however, had made them alter this estimate and they thought that by June 1935, or the beginning of 1936 at the latest, German rearmament and the arrangements for industrial mobilisation would have reached such a stage as to permit Germany to wage war on a large scale if necessary. They even thought it possible that if they worked at high pressure they might be ready by the end of 1934.

4. He talked not only about his political contacts in France, but also in Belgium, and mentioned that he had strongly urged upon General Weygand and his staff that the French must not count on immediate intervention on the part of Belgium in case of German attack. Belgian policy had to keep an eye on British as well as on French policy, and it was quite possible that the Belgians would wait to see what the English attitude would be; if the British were slow in making up their minds and if the Germans contented themselves with crossing Eastern Belgium and with resting their right on the Meuse without attempting to threaten Brussels or Antwerp, it was conceivable that the Belgian army would merely watch the line of the Meuse and would not enter the war at an early stage; this was, of course, putting things at their very worst, but was a case which must be considered.

5. He asked me what the reactions had been in England to the recent *rapprochement* between France and Russia;<sup>3</sup> I replied that I had no information on this question, but that personally, I should be very interested to hear what the French thought they were going to get out of it.

6. He replied that first of all they had warned the Russians that there could be no question of an alliance, and that the *rapprochement* could not be carried to a point which could possibly arouse suspicions or in any way affect the friendship of England or Japan. The advantages they hoped to derive from this *rapprochement* were mainly negative, but Russia, with its present régime, had become a peace-loving nation, and could not go to war, as war meant the downfall of the present régime and the probable establishment of a military dictatorship. On the other hand, a Russia unfriendly to France but friendly to Germany would provide the latter country with a vast reservoir of raw materials and a not inconsiderable industrial potential.

7. The Russians were frightened of Germany, and were at present playing with both Germany and French friendship. The Russian Embassy in Paris was very active and had lately given a series of political lunches to French politicians of the Left. They were very anxious to find out whether the French

<sup>3</sup> The reference is to the renewal of commercial negotiations between France and the U.S.S.R. in September, 1933. A Commercial Agreement was signed on January 11, 1934. See *British and Foreign State Papers*, vol. 137, pp. 851 ff.

would consent to direct conversations with the Germans; they obviously feared that any arrangement arrived at between the French and Germans would be made at their expense.

8. This question of direct conversations between France and Germany was confronting the French Government with a very difficult and delicate dilemma. On the one hand, certain French politicians thought that the opportunity of direct conversations with Germany should not be missed; and this view seemed to be favoured by the British Government. On the other hand, most of France's allies and friends would view such conversations with grave suspicion.

9. I asked him if he could tell me the outcome of his visit to M. Mandel in the afternoon. He said that M. Mandel was pleased with the effect of his speech, it had created a certain emotional feeling in the Chamber and elevated the debate on to a national and non-party plane, and the effect on the Government had been good. M. Daladier (who is kept well informed by his *Deuxième Bureau*) had congratulated him and said that he was glad that he had taken upon himself to open the debate on these lines and told him that the General Staff agreed with his statements regarding the state of Germany's rearmament. Pierre Cot<sup>4</sup> had come up to him and expressed his surprise at the figures he had given out regarding the possibilities of aircraft construction in Germany; he had told Pierre Cot to ask his *Deuxième Bureau* if they did not agree with his figures, and added that, as a matter of fact, the foreign aircraft constructor who had just returned from Germany and given him these figures, had stated that the German aircraft factories were being organised so as to be able to produce 6,000 aircraft a month, but that this figure seemed so enormous he had contented himself with giving out in the Chamber the figure of 2,500, which was the figure of production reached by Germany at the end of the war in 1918.

10. He again referred with emphasis to the necessity of undertaking a moral crusade. He was also convinced that the word 'sanctions' must be dropped from the French vocabulary if they wished to succeed in persuading British opinion of the necessity and the urgency of dealing with this problem by establishing a moral front. He had spoken that very afternoon to M. Georges Bonnet<sup>5</sup> (who may be the next Prime Minister), and he quite agreed with his views and with the necessity for dropping the word 'sanctions'.

T. G. G. HEYWOOD,  
Colonel, G. S., *Military Attaché*

<sup>4</sup> French Minister for Air.

<sup>5</sup> French Minister of Finance.

ENCLOSURE 2 IN No. 48

*Colonel Heywood to Lord Tyrrell*

(No. 980 (3/K))

PARIS, November 14, 1933

Your Excellency will recollect that in the course of your talk with Colonel de Lattre yesterday the latter mentioned that some people reproached M.



Mandel with a desire to 'brûler une étape', that of the Disarmament Convention; to which you replied that you agreed with these critics and that the phase of the Disarmament Convention would have to be gone through.

2. On return to my office Colonel de Lattre referred to this and said that he feared that, if that was the case, much delay would be caused thereby, for the MacDonald Plan only allowed France effectives which were insufficient to enable, in the present circumstances, the French peace army to fulfil its roles of manning the frontier defences, providing a 'couverture', and finding the nucleus required for the training of the army in peace and its mobilisation in case of war. Nobody denied the importance of the air and the grave danger of bombing and gas raids on large cities in the interior, but these, after all, were merely attacks on the *moral* of the nation, and in the end it was the army and only the army which could stand as a barrier against invasion of the national soil. The present peace strength of the French army in France was about 340,000 men, which would have to be reduced by over a third; even now General Weygand found it extremely hard to make both ends meet in the matter of effectives with the present defence organisation. People said that the organisation could be changed; a reorganisation of an army such as the French army was a very large order and one which must take some time; no responsible chief with any sense of loyalty to his country and of his responsibility, with the knowledge which they had of German preparations and with that date of 1936 at the back of his mind could agree to a wholesale reorganisation of the French army and risk being caught swapping horses in midstream.

3. Some people were urging General Weygand to accept the MacDonald figures and using the argument that it was quite safe to do so, as Germany would never accept the Disarmament Convention; but was it not possible that Germany might accept it in order to achieve the disorganisation of the French army, and with the intention of themselves going on with their camouflaged rearmament? Did I believe that control would give us more reliable information on this point than was provided for us by our existing Intelligence Services? If control did come across serious breaches, would these not be hushed up or made little of by some party or other? and, if such was not the case, did not control imply sanctions, and did not sanctions lead straight to war? Colonel de Lattre was therefore convinced that, with all these contingencies in his mind, Weygand could not, and would not, agree to the figures as at present laid down in the MacDonald Plan.

4. He said that politicians seemed to have difficulty both in grasping the fact that this was a technical problem and in understanding its technical aspects, but that I, as a soldier and a technician, must realise their difficulties. That very morning he had talked on the question of the Disarmament Convention to M. Pierre Cot, who had said that the French must give the British the satisfaction of the Disarmament Convention, and asked why General Weygand was repeatedly raising difficulties? De Lattre had replied: 'You, as a patriotic Frenchman, must try to put yourself in the place of General Weygand, Commander-in-chief of the French army and the technical expert

adviser of the Government. Would you do what you would be asking General Weygand to do? Whilst General Weygand is always willing to do almost anything to keep up an Anglo-French façade, there are limits beyond which he cannot go, one of these is when you ask him to reduce French effectives in France beyond those which he considers the absolute minimum necessary to enable the French army to fulfil its various roles.'

5. I said that what he had just told me was most interesting and very important. It was obvious that a conflict between General Weygand and the French Government on the question of effectives was most undesirable, it was equally undesirable that it should occur on a question which might make it appear to be due to pressure by the British Government on the French Government; the resignation of General Weygand in such circumstances and on the ground that national security was at stake would not only be a grave political incident, but would create such an uproar in public opinion that it would bring about the downfall of the Government and would probably make it impossible for any subsequent Government to negotiate successfully a disarmament convention which did not fit in with General Weygand's, or his successor's, views. I thought, however, that he was wrong in thinking that our political leaders had an insufficient appreciation of technical problems. In this respect, he must have noticed that, of late, British Ministers had repeatedly stated in public speeches that England had reduced her fighting services to the lowest limits compatible with the fulfilment of their role, they could only have made these statements because their technical advisers, that is, the chiefs of the navy, army and air force, had convinced our Ministers, and had proved to them with technical arguments, that this was the case. I did not know how the figure of 200,000 had been arrived at, but the MacDonald Plan also provided for 200,000 men outside France, and it was to be presumed that a large number of these would be stationed in North Africa; furthermore, although I was Military Attaché in France, my information as to French mobilisation arrangements was definitely scanty, as it was kept secret by the French General Staff, and if Your Excellency asked me for my opinion as to whether an army of 200,000 in France with 200,000 outside France was sufficient to ensure the security of France against attack by Germany, my answer must be based on my appreciation of many factors of which I had but imperfect knowledge and some of which I could only guess at. If Colonel de Lattre could give me chapter and verse proving that 200,000 men in France were insufficient and saying what effectives General Weygand considered to be the absolute minimum necessary to enable it to fulfil its various roles, I felt sure that Your Excellency would pass these figures on to the British Government, that it would greatly help us to understand General Weygand's case and therefore facilitate any negotiations which might take place on the MacDonald Plan and assist in arriving more quickly at a disarmament convention.

6. Colonel de Lattre replied that he realised the importance of my suggestion, but that it was a matter which affected national defence and therefore he was not at liberty to do this without authority; he would consult General

Weygand's Chief of Staff, General Corap, and suggest to him that he should give me such information as he thought advisable and possibly consign this information in a *note verbale* or *aide-mémoire*.

7. I expect to hear further from Colonel de Lattre by the end of this week; but it is possible that General Corap may not wish to impart this information without reference to General Weygand himself, in which case we shall have to wait until the latter's return about the 24th or 25th of this month before we get an answer.

T. G. G. HEYWOOD,  
Colonel, G. S., *Military Attaché*

No. 49

*Lord Tyrrell (Paris) to Sir J. Simon (Received November 21)*

*No. 1605 [C 10282/245/18]*

PARIS, November 17, 1933

Sir,

The action of the German Government in not only refusing to listen to the substantial offer of disarmament made to them last month, but in slamming the door on the Disarmament Conference and the League of Nations, has necessarily brought about some uncertainty in public opinion as to what the next step is to be. Opinion is gradually taking fresh shape in face of the new situation, but it is still largely tentative, and the strength of the different currents is difficult to determine.

2. Ever since the war the whole of French policy has been based on the League of Nations. The League of Nations has been entrusted with the supervision of the military clauses of the Treaty of Versailles, whilst the connexion between the Disarmament Conference and the League of Nations is, in French opinion, essential. It was only after the Four-Power Pact had been brought into the framework of the League that the French Government agreed to sign it. The League stands in French eyes for the organisation of security, which is the basis of all French policy.

3. The first and widest reaction from the shock of Germany leaving the League has been to intensify French support of the League, which has come to be regarded here as a rallying point for all free and peace-loving nations. Germany has openly announced her intention of 'revising' the League, while Signor Mussolini has as openly expressed his contempt for it.

4. But whilst there is virtual unanimity on the League policy, opinion is divided on the exact form of action to be taken at Geneva. There are those who regard the Disarmament Conference as dead and wish France to claim her rights under the Treaty of Versailles and invoke the machinery provided under Article 213 for investigating the state of German armaments. These are the views expounded by M. Mandel in the debate in the Chamber on the 10th November, and may be taken as representative of the Right and Centre, as well as of the General Staff.

5. Others favour continued negotiation of the Disarmament Convention without German participation. This view is that officially held by the French Government. It is personally favoured by M. Paul-Boncour and by the officials of the Quai d'Orsay; it is also held by the Socialist party. It finds its complete expression in the *note verbale* of the 15th November from the Ministry for Foreign Affairs<sup>1</sup> in reply to the questions addressed to them on the subject by His Majesty's Government. Its basis is the feeling that the unity which Great Britain, France, the United States and Italy achieved last September must be preserved at all costs, that the offer then adumbrated should be enshrined in a text which would prove to the world the *bona fides* of the negotiators, and that even if Germany still refuses to come in, an anti-war front will have been created which can be adapted as circumstances require, either towards a standstill agreement between the negotiating Powers or, if Germany proceeds to active rearming, towards some collective pressure.

6. Such a policy obviously does not depend on France alone. Italy has already made perfectly clear her reluctance to engage in any further serious discussions at Geneva from which Germany is absent. France believes, however, that if Great Britain were clearly resolved to continue the discussions at Geneva, that in itself would be sufficient to bring Italy in, and that in any case the two major Powers being agreed, all the minor Powers would be only too glad to follow them and the drafting of the convention would continue. Unfortunately, in French opinion, His Majesty's Government do not appear to concur in the continued negotiation at Geneva of a convention which Germany is bound to reject, since admittedly there is no prospect of France agreeing to more favourable conditions than those Germany has just refused. They have gone further and intimated that they would have no objection if the French Government entered into direct conversations with the German Government. French opinion, moreover, believes it has detected a note of lassitude and detachment in the recent utterances of the Prime Minister and yourself which is causing some dismay.

7. In these circumstances French opinion, official and otherwise, has necessarily turned to the consideration of direct Franco-German conversations as proposed by Herr Hitler.

8. M. Daladier, before his fall, and M. Paul-Boncour in his speech on the 14th November, have made it perfectly clear that they were ready to listen to any proposals which the German Government might make. If Herr Hitler has proposals to make, he has only to put them before M. François-Poncet for them to receive a sympathetic hearing. M. Paul-Boncour is opposed to any meeting of Ministers at present. The official attitude of the French Government does not so far go further than that. They are ready to listen but not to make proposals themselves. They cannot, moreover, quite understand why Herr Hitler is making such bones about it. Herr von Neurath could always have talked to M. Paul-Boncour at Geneva, but he ostentatiously avoided the occasion by going shooting whenever not otherwise occupied.

<sup>1</sup> Enclosure in No. 46.

9. There has, of course, always been a certain body of French opinion which favoured a direct Franco-German understanding. That opinion includes for obvious reasons the Comité des Forges, which harbours visions of vast Franco-German industrial combines whilst nursing the hope that in any case there must be substantial rearmament. This influence is reflected in the 'Temps', which is largely controlled by this group. It has now also come to include certain oil interests, who are opposed to M. Herriot's pro-Soviet policy, which means for them the sale of Russian oil in France. There has also always been a preference among certain soldiers (including General Weygand) for a direct understanding with their principal enemy. There is therefore always a basis on which a policy of direct understanding with Germany could be founded and developed.

10. One reason for the hesitation of the French Government to adopt a more active line at present is that they are convinced that any agreement which Germany would accept must involve a large measure of rearmament. If Germany will not accept the September offer, and as France cannot improve on that offer, a direct Franco-German agreement could only be based on higher German, and therefore correspondingly higher French, armaments. The disarmament and pacifist party in France, which is very powerful in the present Parliament, are extremely reluctant to see their country embark on such a course. A further reason is the feeling that a direct Franco-German *entente*, besides ending in rearmament rather than disarmament, would somehow still further undermine the authority of the League of Nations. For these two reasons the Socialists are absolutely opposed to any direct Franco-German negotiations. On the other hand, the elements described above as normally favourable to a direct Franco-German agreement have undoubtedly been recently reinforced by elements in the Radical party itself, who, though sincerely attached to disarmament, adopt a realist point of view and believe that, unless she can count on whole-hearted British support at Geneva in the effective organisation of security, the only hope of France in the long run is agreement with Germany. That agreement may turn out to be a poor measure of disarmament, but it may none the less give France some security by allowing her to maintain her superiority of equipment, which is essential to her if she cannot count on international measures of supervision and intervention.

11. There is some confusion of thought as to the extent of the proposed Franco-German conversations desired by Herr Hitler. Are the French Government merely expected to converse with Herr Hitler as the British and Italian Governments conversed with the French Government last summer on the limited question of disarmament with a view to exploring the possibility of an issue from the present *impasse*? Or is it contemplated that there should be a wider political and economic negotiation, aiming, if it is successful, at a complete reorientation of French policy? There have recently appeared a number of *ballons d'essai* in the press (*e.g.*, 'Matin', 'République', 'Œuvre', 'Volonté'), advocating direct Franco-German discussion, which have been launched by these different circles. The movement is as yet not strongly

represented in the Government except in the person of M. Daladier, who, whilst not contemplating anything more ambitious than discussion of the limited question of disarmament, is believed to favour a positive initiation of conversations with Berlin in place of the purely passive and receptive attitude of M. Paul-Boncour and the Quai d'Orsay. During the debate on foreign affairs, as reported in my telegram No. 109<sup>2</sup> of the 16th November, there was, however, a very noticeable feeling in favour of this course, the strength of which astonished competent observers. It is rather unfortunate that the feeling is being fomented by a popular conviction that His Majesty's Government are abandoning support of France in favour of an attitude of detachment in which they hope to hold the balance between her and Germany. The French find it difficult to believe that those who are not for them are not against them, and therefore their comments, whilst advocating direct conversations with Germany, are somewhat bitter.

12. Among those Frenchmen who attach the most importance to close ties with Great Britain, the greatest anxiety is being displayed at what may be the ultimate result of the present tendency. They are frankly afraid that it will not prove possible to stop at an agreement confined to disarmament, since they do not believe that Germany has any intention of consenting to disarm, and that France will become involved in an entirely new orientation based on Franco-German co-operation, which, they foresee, can only end in being directed against Great Britain. Whilst I feel that their fears are somewhat fanciful in view of the profound mistrust which divides the two nations, the possibility must at least be borne in mind.

13. In summarising the position, I would say that there can be no doubt that the policy which commends itself not only to the Government but to the majority of opinion in this country, is that of abiding at Geneva, of maintaining the Anglo-French-American-Italian front of last September, and of proceeding with the negotiation of the convention in spite of the absence of Germany. If, however, neither Italy nor Great Britain will agree to this then the French Government will perforce consent to direct conversations with Germany. Such conversations would naturally be approved by all elements who are opposed to the League in principle and favour rearmament (Comité des Forges, military and nationalist circles). Apart, however, from such forces, the policy of direct *entente* with Germany would receive support from respectable Radical (but not Socialist) opinion, which, whilst infinitely preferring the policy of maintaining a common front at Geneva, would agree, albeit somewhat reluctantly, to direct talks with Berlin as the only practical alternative if Great Britain refuses to play.

14. I am aware that direct Franco-German conversations need not necessarily impair the position of the League any more than the fruitful Franco-Italian and Franco-British conversations which led up to the joint offer of the 14th October at Geneva. Nor need the fact of France conversing with Germany imply any less intimacy with Great Britain, to whom the German proposals could be communicated for joint consideration. I have no

<sup>2</sup> No. 43.

doubt this is the view of His Majesty's Government, who regard Franco-German conversations only as an obvious avenue to explore in the hope that it may furnish a basis for a convention, in which all can take part. Should His Majesty's Government decide to urge the French Government to engage more actively upon this course, it is very important that these aspects should be strongly emphasised. A further consideration arises from the insistence hitherto maintained by His Majesty's Government and supported by the United States Government, that there must on no account be any rearmament of Germany. If France and Germany are left to themselves, an agreement may result, but it can scarcely result in serious disarmament.

15. I am sending a copy of this despatch to His Majesty's Representatives at Berlin and Rome, and to the British delegation at Geneva.

I have, &c.,  
TYRRELL

#### No. 50

*Sir E. Drummond (Rome) to Sir J. Simon (Geneva)*<sup>1</sup>

*No. 33*<sup>2</sup> *Telegraphic* [W 13156/40/98]

ROME, November 18, 1933, 1.10 a.m.

Your telegram No. 370.<sup>3</sup>

I communicated substance to Signor Suvich last night.<sup>4</sup> As I had received no reply this afternoon I asked for an interview with Baron Aloisi.

The latter told me that a letter had just been sent to me stating that it was impossible for him to go to Geneva but that Signor di Soragna whom they had recalled from leave would be there and entirely at your disposal.

I expressed my disappointment that Baron Aloisi had not found it possible to go himself as presence of British and French Ministers for Foreign Affairs made meeting of great importance.

Baron Aloisi replied that views of Italian Government on present situation as regards disarmament were now well known. They considered conclusion of a convention or continuation of discussions thereon was, in the absence of Germany, not only useless but dangerous. I pointed out that it seemed to me desirable that Italian point of view should be authoritatively set out at Geneva and while I liked and appreciated Signor di Soragna was he a man of sufficient calibre to do this? Baron Aloisi said that Signor di Soragna would be in close contact with him and could consult him at any moment should the necessity arise.

He sincerely trusted that you would not take their attitude amiss as Italian

<sup>1</sup> Sir J. Simon and Mr. Eden arrived in Geneva on November 18.

<sup>2</sup> This telegram was addressed to Geneva as No. 33 and was repeated as No. 337 to the Foreign Office, where it was received on November 18 at 9.30 a.m.

<sup>3</sup> Not printed. This telegram of November 16 stated that Sir J. Simon hoped to consult with Baron Aloisi at Geneva as to the future work of the Disarmament Conference.

<sup>4</sup> i.e. November 16. This telegram was drafted on November 17.

Government laid the greatest weight on close co-operation between Great Britain and Italy.

He added very confidentially that what they now had in mind was diplomatic negotiations in the first place between London and Rome—since London could exercise considerable influence in Paris and Rome in Berlin—then negotiations between the four Powers and finally discussions at Geneva.

He also mentioned somewhat bitterly the attitude of President of the Conference and alluded to an article in which he attacked Italian policy.

Though the latter point may have had some influence on present decision I feel sure Italian Government are determined not to come back to Geneva for negotiations while Germans are absent and I do not think opinion expressed by French Minister for Foreign Affairs (see last sentence of paragraph 5 of Lord Tyrrell's telegram No. 105<sup>5</sup> to Foreign Office) is well founded.

Repeated to Foreign Office No. 337, Paris and Berlin.

<sup>5</sup> No. 40.

## No. 51

*Mr. Patteson (Geneva) to Sir R. Vansittart (Received November 19, 9.30 a.m.)*

*No. 412 L.N. Telegraphic [W 13160/40/98]*

GENEVA, November 18<sup>1</sup>, 1933, 12.5 a.m.

Following from Secretary of State:

1. There is no meeting of the Bureau till Friday<sup>2</sup> and this is therefore the earliest occasion when public statement could conveniently be made explaining relation of October suggestions to British Draft Convention. But after having seen Mr. Henderson, M. Boncour and others I am strongly impressed with view that there is no serious confusion at Geneva on that subject. No one here is treating October propositions as binding suggestions in altered circumstances though French protest that they cannot do more. In my long interview with M. Boncour he made this point over and over again but he conceded frankly that it was within rights of other Powers to take a different line. There is no doubt that French feel difficulties of their own position keenly and I am concerned lest a special pronouncement such as Cabinet contemplated might increase strain unbearably. It would of course be hailed by Germany as culminating proof of success of their tactics of creating division.

2. I must return as already promised on Monday or by latest Tuesday morning and this telegram will serve as notice to my colleagues of situation to be considered when we meet on Wednesday. I am telegraphing separately summaries of my conversations with Mr. Henderson, M. Boncour and others. Full records<sup>3</sup> follow by tomorrow's bag.

<sup>1</sup> This date is evidently an error for November 19.

<sup>2</sup> November 24.

<sup>3</sup> See Nos. 52, 53, and 55.



3. It would give great satisfaction to people here if I could come back at the end of the week when of course Mr. Eden would return to London. But future movements cannot definitely be settled yet.

## No. 52

*United Kingdom Delegate (Geneva) to Foreign Office (Received November 21)*  
*No. 247 [W 13231/40/98]*

GENEVA, November 19, 1933

The United Kingdom delegate to the League of Nations presents his compliments, and, with reference to Geneva telegram No. 413,<sup>1</sup> has the honour to transmit copies of a record of a conversation between Sir John Simon and Mr. Henderson, on the 18th November, respecting disarmament, of which a copy has been sent to His Majesty's Ambassador at Paris.

<sup>1</sup> Not printed.

## ENCLOSURE IN NO. 52

*Record of Conversation between Sir John Simon and Mr. Henderson at Geneva on November 18, 1933*

Sir John Simon visited Mr. Henderson this morning. Mr. Eden and Mr. Strang were with him. M. Aghnides<sup>1</sup> and Mr. Zilliacus<sup>2</sup> were also present. The interview lasted one hour.

Sir John Simon said that he would begin by touching on the question of his own and other people's movements. He explained that it had been his original intention to hold conversations in Paris with the French Ministers on his way to Geneva. He had, however, received the impression that the French Ministers would prefer such conversations to take place in Geneva, and he had therefore abandoned his intention to stay in Paris. He had much appreciated Mr. Henderson's offer to come to Paris for those conversations, and hoped he had been put to no inconvenience owing to the change of plan.

Sir John Simon then told Mr. Henderson that he had urged Signor Mussolini to send a responsible delegate to Geneva and had, in fact, asked for Baron Aloisi by name. No reply had been received to this communication, and there were rumours that Signor Mussolini was not too pleased with the decision of the British and French Ministers to come to Geneva.

M. Aghnides said at this point that news had been received from Rome that Signor Soragna would arrive in Geneva this afternoon. The impression was that Baron Aloisi would not be coming.

<sup>1</sup> Director of the Disarmament Section of the League of Nations and Secretary of the Disarmament Conference.

<sup>2</sup> Mr. Zilliacus was an official of the League of Nations Secretariat.

Sir John Simon further explained that, in view of the opening of the Session on Tuesday next, the 21st November, and the possibility of a Foreign Affairs debate, he would probably have to return to London temporarily on Monday evening. That was why Mr. Eden had come to Geneva with him so that, in the event of his being compelled to leave Geneva, Mr. Eden could stay.

Mr. Henderson rather demurred to Sir John's suggestion that he might have to leave Geneva, but the matter was not further discussed.

Sir John Simon then asked Mr. Henderson what was his conception of the contents of the convention which the Conference was now to draft. Would it or would it not incorporate the suggestions made in the Bureau on the 14th October?

Mr. Henderson intimated that he had never regarded the suggestions of the 14th October as anything other than tentative. He was opposed to the idea of having two four-year periods, and he had left the French in no doubt as to his opinion. His own idea was to take the five years which Herr Hitler had spoken of in a speech in the early summer and precede it with a preparatory period of two years, during which the ground would be prepared for the actual putting into effect of the measures of disarmament contained in the Convention. A further idea which he had proposed with the object of saving time was that the Permanent Disarmament Commission should be constituted and enter upon its functions as soon as the Convention had been signed by a given number of States, say, twenty. The British Draft Convention itself had laid certain duties upon the Permanent Disarmament Commission, such as, for example, studies in connexion with the internationalisation of civil aviation. Subjects such as this might well be studied by the Permanent Disarmament Commission during the, perhaps, considerable interval between the signature and the entering into force of the Convention. Certain other such subjects were proposed in the clean text of the Draft Convention which Mr. Henderson himself had prepared in collaboration with the League Secretariat. If in that interval the Permanent Disarmament Commission were able to draw up protocols dealing with such subjects, such protocols might enter into force simultaneously with the coming into force of the Convention. The proposals to this end in Mr. Henderson's own clean text had been drafted by the Legal Section of the Secretariat, and were, he thought, legally watertight.

Sir John Simon said that when Mr. Henderson had submitted this proposal to the Bureau on the 9th October he had himself said that if it were a feasible proposal it was one that should be welcomed. He was anxious in the present conversation to discover how much common ground there was between himself and the President, and this point was one upon which they were in agreement. He was glad also to find that the President appeared to share his view about the character of the suggestions on the 14th October and their relation to the British Draft Convention. He was afraid, however, that, although in Geneva the situation was pretty well understood, this was not

true of Germany and perhaps not altogether true of France or even of Great Britain.

Sir John Simon at this point explained in greater detail his view as to the character of the suggestions of the 14th October and their relation to the Draft Convention, emphasising that the Draft Convention was still the only document of the kind before the Conference. The October suggestions were suggestions intended for further consideration by the full Bureau and nothing more.

With this Mr. Henderson fully agreed, and did not demur to the exposition which Sir John Simon had just made.

Sir John Simon said that it was in his mind that, in order that the current misunderstanding on the subject of the suggestions of the 14th October might not become crystallised, it might be advisable for a public statement of the views of His Majesty's Government on the matter to be made here at Geneva, whether at a special meeting of the Bureau, say, on Monday next, the 20th November, or in some other way.

Mr. Henderson seemed a little doubtful about this proposal, and said he would like to think about it. He did raise the point, however, that any such public statement at the Bureau would certainly annoy the French delegation and would compel M. Paul-Boncour to reply. He thought it would be wise not to take a decision on the question now, and certainly not before Sir John Simon had discussed matters with M. Paul-Boncour. He recalled also that M. Daladier, in his speech at the recent debate in the French Chamber, had apparently quoted from the record of the conversations of the 22nd September<sup>3</sup> between the French and British Ministers to show that His Majesty's Government had bound themselves to certain propositions on that occasion.

Sir John Simon at this point gave Mr. Henderson a short account of what had occurred at these conversations on the question of the two periods and of the Permanent Disarmament Commission. He observed, among other things, that these conversations had, in fact, been held as a result of an Italian initiative. The Italian Government had indicated to the French Government their views on a number of points connected with disarmament, and it was a fact that the suggestions which had been used as a basis for the Anglo-French conversations on the 22nd September, in particular the first suggestion for a four-year preliminary period, had been made by the Italians. Sir John Simon added that in Paris His Majesty's Government had never contracted to agree to four years. He himself had said 'a first stage, say, four years', following the Italian suggestion.

Sir John Simon then turned to the programme recently laid down by the Bureau for the work of the Conference. He said that he fully supported the procedure by which the subjects of effectives and of the Permanent Disarmament Commission and supervision should be studied by committees. This was most useful work and should be carried out with energy.

<sup>3</sup> See Volume V of this Series, No. 406.

As regards some of the questions referred to *rapporteurs*, he was more doubtful. The real difficulty facing the Conference upon the delicate matters referred to these *rapporteurs* was that Germany had withdrawn from Geneva and that Italy had taken exception to the procedure adopted and had refused to take any part in discussions. His Majesty's Government were convinced that the work of agreed disarmament ought to be pushed forward as vigorously as possible, but he doubted whether the action of the *rapporteurs* would serve this end. It seemed to him that the cause of disarmament might be best served by pushing on at Geneva with the work of the two committees and at the same time conducting, in parallel perhaps, through the diplomatic channel, the conversations necessary to resolve the major political difficulties with which the Conference was faced. How would Mr. Henderson regard this proposal? How would he, in particular, regard the suggestion that, as the key to the disarmament question was a Franco-German agreement, the French and German Governments should enter into direct contact? Sir John Simon could inform Mr. Henderson confidentially that he had, when first he heard that the Germans had made tentative proposals, immediately informed the French Government that they need have no apprehension that direct Franco-German conversations would be unwelcome to His Majesty's Government.

Mr. Henderson said that he fully shared the views of His Majesty's Government on this point and would add, confidentially, that he had in July last, after sounding both parties, made a proposal in that sense, but nothing had come of it. On the point whether it was desirable that conversations should take place parallel with the work in Geneva, Mr. Henderson said that this was an idea to which he could not take exception, and he had had indications from several delegations that unless such conversations took place there could be no real progress at Geneva. What, however, was undesirable was that meetings should be called under Article 3 of the Four-Power Pact, to be held outside Geneva. By Article 3 of the Pact the parties undertook to do their utmost to make the Disarmament Conference a success, but, if it failed, they would meet to consider what was best to be done. No one could say that the Conference had yet failed, and therefore an appeal to that article would be entirely out of place. Apart from this, the French would certainly object to any such meeting outside the orbit of Geneva.<sup>4</sup>

<sup>4</sup> An addendum to this record, sent separately to the Foreign Office and received on November 21, read as follows:

'Speaking in the closest confidence, Mr. Henderson said that he himself was convinced that some such conversations must take place. An idea that had been working in his mind was that a meeting of the four or five chief Powers, including Germany, should be called by a decision of the Bureau in some place other than Geneva at which the President and perhaps the Vice-President and *rapporteur* of the Conference and the Secretary-General of the Conference should be present. The first three had, he recalled, already been appointed *rapporteurs* by the Bureau on the most important outstanding subjects. The chief difficulty would probably be with the French. The Italians, he thought, would be in favour of such a meeting, and he had good hopes that the Germans would not refuse; they always attached great importance to the choice of meeting places outside Geneva.

Mr. Henderson suggested that a further meeting between himself and Sir John Simon should be held later on in the day, after they had both seen M. Paul-Boncour, and possibly other delegates.

'Sir John Simon recalled, in confirmation, how they had been quite ready to meet at Lausanne the first time they withdrew from the Conference. He said that at first sight Mr. Henderson's proposal seemed to him a good one and was worth exploring. At the same time he gave Mr. Henderson an assurance that if there should be any proposal for a Four-Power meeting (there had been no such proposal up to the present), he would take no decision without first informing Mr. Henderson and consulting him.'

On the following day Sir J. Simon asked Mr. Henderson whether he had reflected further on his suggestion. Mr. Henderson said that he had made up his mind on two points, firstly, that it would be essential to approach the French before making any definite proposal, and secondly, that any such meeting must be called by the Bureau itself.

### No. 53

*United Kingdom Delegate (Geneva) to Foreign Office (Received November 21)*  
*No. 248 [W 13232/40/98]*

GENEVA, November 19, 1933

The United Kingdom delegate to the League of Nations presents his compliments, and, with reference to Geneva telegram No. 415,<sup>1</sup> has the honour to transmit copies of a record of a conversation between Sir John Simon and M. Paul-Boncour, on the 18th November, respecting disarmament, of which a copy has been sent to His Majesty's Ambassador at Paris.

<sup>1</sup> Not printed. This telegram summarized the conversation reported below.

### ENCLOSURE IN No. 53

*Record of Conversation at Geneva at 3 p.m. on November 18, 1933<sup>1</sup>*

#### Present:

Sir John Simon  
Mr. Eden.  
Mr. Strang.  
Mr. Stevenson.

M. Paul-Boncour.  
M. Massigli.

Sir John Simon asked M. Paul-Boncour what he contemplated as the procedure to be followed at the Conference from now on.

M. Paul-Boncour said that, in his opinion, the work should proceed as if Germany were still present. He sketched the events which led up to Germany's departure from the Conference, and said that, in his view, the General Commission should have been asked immediately after Germany's departure whether it accepted the proposals resulting from the conversations which had taken place in September. However, another method had been

<sup>1</sup> This record was made by the British representatives for the use of His Majesty's Government.

pursued and the Bureau had started to redraft the relevant articles of the Convention with a view to obtaining the assent of the General Commission subsequently.

M. Paul-Boncour thought, for the sake of the dignity of the General Commission, this work should go on and that a convention should be produced which would satisfy Germany as far as possible.

Sir John Simon pointed out that the situation was now very different, that not only had Germany gone, but that Italy had virtually retired from active participation, and he asked M. Paul-Boncour what prospect the latter saw of reaching complete agreement in the circumstances.

M. Paul-Boncour said that he realised the difficulties, but that they were not, in his view, insurmountable. There remained, of course, the great and fundamental obstacle that Germany really wanted immediate rearmament. Outside that, he saw no irreconcilable divergence of view. He did not deny that there were differences of view between France and Italy, such as the question of colonial troops; and difficulties with Great Britain, particularly as regards the guarantees for the execution of the Convention; but none of these difficulties were insurmountable. He must admit, however, that the chances of securing a convention of universal application were very small. He considered it practically certain that if a convention were eventually concluded, Japan, who had no intention whatever of reducing her armaments, would refuse to associate herself with it. This would render the acceptance of a convention by Powers with Asiatic possessions, such as France and Great Britain, quite impossible. Furthermore, even if a convention could be produced which would give satisfaction to Germany, the latter would never sign it. Nevertheless, he was profoundly convinced of the necessity of a gesture of Anglo-French solidarity, such as would be provided by the conclusion of a convention which would be open to acceptance by all the world.

Sir John Simon then explained, for M. Paul-Boncour's benefit, how public opinion in the United Kingdom regarded the present position. Discussions had taken place during the summer and early autumn, in which Italy, the United States, France, Germany and the United Kingdom had been involved. As a result of these discussions certain suggestions were formulated. But now Germany had withdrawn from the Conference, and Italy made it perfectly plain that she did not wish to be regarded as adhering to the line put forward in these suggestions. He said that, so far as he knew, the United States representative was without instructions. He referred to his conversation of this morning with Mr. Henderson<sup>2</sup> and said that he had gained the impression that the latter considered that no useful purpose would be served by steering too closely by the suggestions put forward in October to the exclusion of other possible courses.

Mr. Eden then developed the point of view of British public opinion, and maintained that it would be said in England that the French Government desired to modify the Convention in the light of the suggestions made in

<sup>2</sup> See No. 52.

October, despite the three following objections: (1) Germany has refused these suggestions; (2) the Italians do not desire to be associated any further with them; and (3) it is obviously useless to draft a convention embodying suggestions already refused by Germany.

M. Paul-Boncour then said that public opinion in France demanded that a demonstration should be made in the face of the present German attitude. The conclusion of a convention without Germany would not trouble French public opinion in the least, but the possibility of Europe giving in to Germany when she shows herself intransigent would create the most lamentable impression in France. As for Italy, she was perfectly free to change her mind, but she should realise her responsibility. Should she refuse her co-operation, the other Powers could only take note of the fact and register the impossibility of carrying out a convention. As far as the United States were concerned, when Mr. Norman Davis went through Paris on his way to America, he seemed to M. Paul-Boncour to be in agreement with the idea of continuing work at the Conference.

Sir John Simon said that M. Paul-Boncour had spoken as if what would be involved was the refusal to continue with the preparations for a convention. His Majesty's Government would rather say that conditions had now changed. The discussions in Paris were based largely on messages received from Rome showing a very large measure of agreement between the French and Italian points of view. That had now changed. Unwillingness to adhere strictly to the lines of the October suggestions would not mean that no work could be done. His Majesty's Government would continue to participate in working for a convention at Geneva, but that did not mean that they would limit themselves to the suggestions made in October.

M. Paul-Boncour admitted that there was no signed agreement at Paris in September, but he maintained that there had been a complete accord of views. Italy was free to retire if she wished, on the ground that the German refusal changed the situation, but he emphasised the fact that France had agreed to sweeping reductions in her armaments on certain bases. The day that one great Power said that she could no longer agree to these bases, France's concessions no longer held good.

Sir John Simon pointed out that, however difficult it might be, the Powers must attempt to find a course to which the world would think that Germany should adhere. He said that British public opinion would not stand for a treaty forced on Germany in any way comparable with the manner in which she had been compelled to accept the Treaty of Versailles.

M. Paul-Boncour agreed, but said that in this case the situation was entirely different. At Versailles Germany had been kept outside the door; now the door was wide open and Germany had only to come through it.

Sir John Simon said that he would speak in all loyalty to France. It was his duty to inform the French Government that a formal repetition of what had been already refused by Germany would be regarded in Great Britain as

a dictated treaty. Some way must be found which would obviate sticking strictly to the formulae evolved this autumn.

M. Paul-Boncour said that the reaction in France would be that it sufficed simply for Germany to refuse what had been offered to her for the Powers immediately to make further concessions. French public opinion was profoundly convinced that these formulae to which Sir John Simon referred were evolved to give satisfaction to Germany, and they were determined that no further concessions could be made. He went on to emphasise the fact that he had had a great struggle to secure acceptance of these concessions, and said that it would be utterly impossible for him to justify before the French Parliament any attempt to find other issues from the difficulty involving further concessions to Germany. French public opinion would rather explore some other course of action. It would be said in France: 'Let us go and see what Germany is doing. Let us make use of the machinery provided by the League of Nations, and if that breaks down let us do it alone.'

Sir John Simon thanked M. Paul-Boncour for the frankness with which he had spoken. He said that moderate opinion regarded the British Draft Convention as a definite plan covering the whole field, although it had, of course, many gaps and presented many possibilities of modification. The October suggestions, however, were not in the same order of ideas. They were in no sense a second draft convention. They were merely suggestions which, unhappily, had failed to receive general assent. He clearly understood France's difficulties, but he maintained that the practical man in Great Britain, who was not, perhaps, quite as logical as he might be, would merely say: 'This is all very unfortunate, but it surely is not prudent to proceed on the lines of the October suggestions to the exclusion of all others.' The practical man would not mean thereby a mere return to the British Draft Convention of last March, but he considered that the October suggestions had not produced agreement, and, therefore, that we should not stick to them blindly.

M. Massigli then drew attention to the events in Germany since the beginning of the year, and added that a further and more striking proof of the intransigence of Germany's attitude had been provided by her withdrawal from the Conference.

M. Paul-Boncour said that he agreed with Sir John Simon that the October suggestions did not in any way imply the substitution of another plan for the Draft Convention, which remained the basis of the work of the Conference. He admitted that France would never have accepted the Draft Convention as it stood, even had there been no change in the situation in Germany. He said that the circumstances to which M. Massigli had drawn attention were fraught with such grave consequences for France that if it had not been for the Disarmament Conference France would long ago have taken action, either under Article 213 of the Treaty of Versailles or Article 4 of the Pact of Locarno. He maintained that it was the change in the situation in Germany which had led not only France but Italy, Great Britain and the



United States of America to agree to certain modifications in the time-table of the reduction of armaments and in the provisions for control. He said that if the action of Germany in leaving the Conference meant that France's demand for a period of supervision would have to be dropped, he would say frankly that she could not agree.

As M. Paul-Boncour used the phrase *période d'épreuve*, Sir John Simon then repeated the explanation which he had given in the House of Commons<sup>3</sup> of the proposal contained in the October suggestions in regard to the first period of the Disarmament Convention. He said that he had made it quite clear that supervision would be of general application, and he added that the German Government had behaved badly in trying to make the world believe that she was the only country which would be subject to supervision.

M. Paul-Boncour said that he had appreciated Sir John Simon's *exposé* in the House of Commons, and added that he had always applied, in his own public utterances, three adjectives to the proposed supervision. These were: '*réciproque*', '*égal*', and '*efficace*'.

Mr. Eden asked tentatively whether it would be possible at all for France to make some concession, say at the end of the first two years, of the Convention, in the direction of the suppression of the heaviest artillery. This would avoid the difficulty of the first period.

M. Paul-Boncour said that such a concession would be utterly impossible. He maintained that there was a strong current of opinion in France which held that the French Government ought never to have embarked on the Disarmament Conference without first having made an inventory of what Germany possessed in the way of armaments. The French Government's reply to this criticism had been that they would first conclude the Convention and then find out what Germany had. He emphasised the fact that France could not give up a single gun until she knew the real state of Germany's armaments.

Sir John Simon said that when M. Paul-Boncour had seen Mr. Henderson he would be much obliged if M. Massigli could let Mr. Strang know the result of the interview.

M. Paul-Boncour asked Sir John Simon what his plans were as regards his length of stay in Geneva.

Sir John Simon said he did not know, but he was prepared to stay if the situation required it. In any event, he would remain here until the early days of next week.

<sup>3</sup> The reference is probably to Sir J. Simon's speech on November 7 (see No. 10, note 3), but may be to that of November 13 (see Parl. Deb., 5th ser., H. of C., vol. 281, cols. 691-701).

*United Kingdom Delegate (Geneva) to Foreign Office (Received November 21)*

*No. 249 [W 13233/40/98]*

GENEVA, November 19, 1933

The United Kingdom delegate to the League of Nations presents his compliments, and has the honour to transmit copies of a record of a conversation between Mr. Eden and M. Massigli, on the 18th November, respecting disarmament, of which a copy has been sent to His Majesty's Ambassador at Paris.

ENCLOSURE IN NO. 54

*Record of a Conversation between Mr. Eden and M. Massigli*

GENEVA, November 18, 1933

M. Massigli came to see me this afternoon on his return from an interview with Mr. Henderson.

He began by emphasising the frank personal nature of our conversation and the outcome of the long periods we had spent working here together. As to his interview with Mr. Henderson, he felt that the latter was not altogether free from preoccupations concerning the internal political situation in England. I made no comment.

M. Massigli went on to say that it was apparently Mr. Henderson's intention to hold a meeting of the principal Powers tomorrow afternoon to discuss the situation. He did not think that Mr. Henderson had any very definite ideas as to what would come out of this meeting.

M. Massigli then went on to discuss the Anglo-French situation. He was particularly worried to find that we could not stand squarely by the position reported to the Bureau on the 14th October. Even admitting that English opinion was disturbed at the idea of two periods and at the delay before the destruction of material was begun, surely such opinion could be reminded of the circumstances that made this delay vital to the French. The cumulative events and speeches in Germany commented on by the English press—no less than by the French—could not have been so soon forgotten. He himself felt that the great mistake which had been made from the beginning was not to publish the facts about German rearmament. I would not be surprised if he reminded me that the fact that we had not even yet answered the French request for an exchange of views upon their *dossier* was an added cause for anxiety in Paris. The French Government set so much store by Anglo-French agreement.

I explained that it must seem to us of little use to draft in convention form an offer which Germany had already refused when we knew quite well that the Italian Government would not agree to co-operate in such work. This would be to break up the measure of common agreement reached in September and October.

M. Massigli admitted that if this was really the Italian attitude, he could not see what was to be done.

So far as concerned English public opinion, I explained that it would materially assist our position if any attempts to draft the French offer in a convention were so presented as to eliminate all question of periods. Could we not state it as a programme, beginning, as I had suggested to M. Paul-Boncour, by destroying the largest material and the heaviest guns, say, at the end of two years?

M. Massigli said this was very difficult, since the French had been told that the first period was to last four years. I gathered, however, that it was his personal view that, if other matters could be arranged, it might be possible to do something to overcome this difficulty. In any event, he begged of me not to press this request now.

I then tried to discover what M. Massigli proposed that we should do by way of work upon a draft convention, and the only suggestion that appeared to crop up between us was in respect of the French proposals for supervision.

M. Massigli then himself volunteered a comment upon the question of the French Government getting into direct contact with Germany. He knew that His Majesty's Government had urged this course upon the French Government, but he was not happy about it. We must be under no illusions as to what the Germans wanted. Their ambition was rearmament. Therefore the outcome of any conversations directly between France and Germany would not be a measure of disarmament. Moreover, in addition to the problems of armament, much wider issues—involving perhaps a new political system—would be raised. He himself was definitely frightened at such a prospect, the consequences of which he could not foresee.

The conversation was throughout somewhat gloomy, and in his final sentences M. Massigli did not conceal his concern at any outcome of the Conference which might expose a difference of view between France and Great Britain. The consequences of such disagreement upon the state of Europe might prove deplorable indeed.

A. E.

## No. 55

*United Kingdom Delegate (Geneva) to Foreign Office (Received November 21)*

*No. 250 [W 13234/40/98]*

GENEVA, November 19, 1933

The United Kingdom delegate to the League of Nations presents his compliments, and, with reference to Geneva telegram No. 414,<sup>1</sup> has the honour to transmit copies of a record of a conversation between Sir John Simon and Signor Soragna, on the 18th November, respecting disarmament, of which a copy has been sent to His Majesty's Ambassador at Paris.

<sup>1</sup> Not printed. This telegram of November 18 summarized the conversation reported below.

*Record of Conversation between Sir John Simon and Signor Soragna at the Hôtel Beau Rivage, Geneva, at 6.15 p.m. on November 18, 1933<sup>1</sup>*

Signor Soragna came to see Sir John Simon this afternoon. Mr. Eden and Mr. Strang were also present.

In reply to an enquiry from Sir John Simon, Signor Soragna said that he had just seen Mr. Henderson and had repeated to him the view of the Italian Government, which he had already stated in the Bureau, namely, that an attempt to go on drafting a convention in the absence of Germany was useless and dangerous. The two committees had got on to rather dangerous lines, though they were not perhaps in themselves of great importance. The real trouble was that the policy itself was wrong. If he rightly understood the position, the attitude of His Majesty's Government, like that of the Italian Government, was still, as he might say, plastic. They were not committed to one line, but were prepared to look for a solution where they could find it. He was impressed by the danger of delay, because the longer a solution was postponed the greater would be the freedom enjoyed by the Germans. They would feel themselves stronger and stronger as time passed, and it would take more and more to satisfy their demands in the matter of rearmament. It seemed to him, if he might put it so, that the Germans were more and more coming to demand parity prior to disarmament.

Sir John Simon said that, as Signor Soragna might remember, the Prime Minister and he himself had both used language in the House of Commons<sup>2</sup> which made it plain that they did not wish to place Germany in the position of an outlaw.

Mr. Eden asked what Signor Soragna thought would happen tomorrow afternoon at the meeting of the chief delegates which was to be called by Mr. Henderson.

Signor Soragna said that the real question to ask would be, what was the next step to be taken if, as Mr. Henderson hoped, the Conference could succeed in producing a draft convention? It was necessary to look ahead, and it was to the French that the question should be put.

Sir John Simon then referred to the misunderstanding apparently current in some quarters as to the character of the suggestions of the 14th October and their relation to the British Draft Convention. In the British view they were mere suggestions with no contractual force, designed not as a substitute for the British Draft Convention, but as a possible means of completing it in a manner acceptable to all.

<sup>1</sup> This record was made by the British representatives for the use of His Majesty's Government.

<sup>2</sup> The reference is to Mr. MacDonald's speech on November 13 (see Parl. Deb., 5th ser., H. of C., vol. 281, cols. 593-601) and to Sir J. Simon's speeches on November 7 and 13 (see No. 10, note 3, and No. 53, note 3).

Signor Soragna confirmed that this was certainly also the Italian view.

Sir John Simon said that M. Paul-Boncour, whom he had seen this afternoon, had said nothing to indicate that he did not also agree. M. Paul-Boncour's difficulty was that French public opinion would not allow him to go any further in the matter of disarmament than he had gone when these suggestions were being considered on the 22nd September by the French and British Ministers. It was important to establish that the British Draft Convention had not been abandoned. It was still accepted as the basis of discussion, though, indeed, it required to be completed.

Signor Soragna remarked that the proceedings of the two committees now sitting had vindicated the correctness of the views he had expressed in the Bureau, that it would have been wiser to appoint *rapporteurs* for all subjects. The committees were reaching conclusions which the Italians disliked, and the subjects which had been referred to the committees were those upon which the Germans were most likely to be sensitive. He had told Mr. Henderson that if he had found the committees busily occupied in arranging for disarmament in the matter of material, it would not have been so bad, but that the present position was an indication to Germany that she might take up as stiff an attitude as she liked. The whole problem was whether the French could be persuaded to adopt a plastic policy. He enquired whether Sir John Simon had any news as to direct Franco-German conversations. He himself had none.

Sir John Simon said that he had no definite information. The British Government were in no way opposed to such conversations and had told the French so. Signor Soragna said that this was also the Italian attitude.

Signor Soragna said that, at his interview with Mr. Henderson, the latter had asked him reproachfully why he should want to kill the Conference. He had replied that this was not at all the Italian policy. Their view was that the Conference should be kept in being, but that its activities might well for a certain period be left in abeyance, and that the *rapporteurs* should be left to work quietly.

Sir John Simon recalled that at a recent interview he had had with Signor Grandi<sup>3</sup> the latter had stated that Italian policy was not to set the Conference aside or to abandon Geneva, or to put Mr. Henderson out of commission: but the Italian Government thought that, in existing circumstances, certain discussions should be carried on through the diplomatic channel. Signor Grandi had emphasised that the idea was that the results of such discussions should be brought to Geneva and remitted to Mr. Henderson and to the Conference for elaboration by agreement.

Signor Soragna interposed to say that, in spite of the criticisms levelled by Signor Mussolini at the League, the Italian view was that as the League was there it must be used.

Sir John Simon said that he had so understood, and had suggested to

<sup>3</sup> On November 15. See No. 38.

Signor Grandi that the Italian Government should take an opportunity of so informing Mr. Henderson, and should give him clearly to understand that their purpose was not to unhorse him or to bring the Conference to an end, but to suggest the best manner of handling the delicate political questions at issue.

Signor Soragna here remarked that Signor Suvich's last words to him when he had left Rome the day before were that he should make it clear to Mr. Henderson that the Italians were not sabotaging the Conference, that their present policy had been adopted on practical grounds alone, and that, in their view, a solution would be impossible without prior recourse to diplomatic methods.

Signor Soragna added that the French delegation were taking advantage of the absence of the Germans and of the silence of the Italians to secure favourable positions on many questions falling within the competence of the two committees now working, and were doing harm in Berlin by making out, in their communications to the press, that these two committees were going full speed ahead. He went on to say that the solid ground of the 14th October no longer existed. Two of the Governments concerned, namely, the British and Italian Governments, were pursuing a plastic policy, whereas two others, namely the French and Germans, had adopted rigid policies. On what basis could progress be made? The first step, it seemed to him, ought to be conversations between the three Powers—Great Britain, France and Italy.

Sir John Simon enquired whether Signor Soragna proposed to develop his point of view at Mr. Henderson's meeting tomorrow.

Signor Soragna indicated that he would do so.

Sir John Simon said that Mr. Henderson was quite right in saying that time pressed. It was important that people should speak their minds.

The question then arose as to which heads of delegations Mr. Henderson would invite to be present. It had been suggested somewhere, it was thought by the French delegation, that the Soviet delegate, M. Dovgalevsky might be invited. Signor Soragna suggested that this might make it more difficult for delegations to speak openly.

## No. 56

*United Kingdom Delegate (Geneva) to Foreign Office (Received November 21)*  
*No. 253 [W 13237/40/98]*

GENEVA, November 19, 1933

The United Kingdom delegate to the League of Nations presents his compliments, and has the honour to transmit copies of a record of a conversation between Sir John Simon and Mr. Henderson, on the 19th November, respecting disarmament, of which a copy has been sent to His Majesty's Ambassador at Paris.

*Record of Conversation between Sir John Simon and Mr. Henderson at  
Geneva at 10 a.m. on November 19, 1933*

Sir John Simon visited Mr. Henderson this morning. Mr. Eden and Mr. Strang were with him.

Sir John Simon gave Mr. Henderson a brief account of what had passed at his interview with M. Paul-Boncour yesterday.<sup>1</sup>

Mr. Henderson said that M. Paul-Boncour's remarks to him were to the same effect as those made by M. Paul-Boncour to Sir John Simon. The French position could be summed up in one sentence: 'We stand by the suggestions of the 14th October.'

He added, incidentally, that M. Paul-Boncour had shown himself ill-informed as to the programme of work adopted by the Bureau. This was confirmed by his statement to the press that he thought his presence in Geneva really unnecessary, as the Conference was merely drafting into the Convention the proposals of the 14th October!

Sir John Simon said that M. Paul-Boncour had said one thing which had rather alarmed him, namely, that the French intended to ascertain exactly what the Germans possessed in the way of armaments before they would begin disarming themselves. The French were thus firmly wedded to the idea of a definite 'period of probation', aimed at one party alone. The conception thus differed widely from ours, which had been rather that there should be a preliminary period during which *all* parties would be subject to the same system of supervision.

Sir John Simon then reported briefly on his interview with Signor Soragna.

Mr. Henderson said that this corresponded with what Signor Soragna had told him. The Italian attitude was also quite simple. Italy was not prepared to take any further active part in the Disarmament Conference in the absence of Germany.

Mr. Henderson remarked that he had been especially impressed by a point which Signor Soragna had emphasised, namely, that the need for action was urgent, because the longer the delay the greater would be the German demands in the matter of rearmament. With this remark Mr. Henderson profoundly agreed.

Sir John Simon made a point of informing Mr. Henderson of the Italian attitude to the League and to the Disarmament Conference as explained to him by Signor Soragna, namely, that, although Signor Mussolini might criticise the League, yet he considered that as the League was there, it should be used. So far as the future was concerned, the Italian Government thought that it was urgently necessary to hold conversations outside Geneva, but this would not be with the object of sweeping the Disarmament Conference aside or of putting Mr. Henderson out of commission. On the contrary, the idea

<sup>1</sup> See No. 53.

would be that, as soon as such conversations had reached results, the results should be brought to Geneva and remitted to the Disarmament Conference in order that they might be further elaborated by agreement. Signor Soragna had made no suggestion for any action under the Four-Power Pact.

Mr. Henderson said that the fundamental difficulty which faced us was to reconcile the French view that a convention should now be framed incorporating the suggestions of the 14th October, and the Italian view that, as these suggestions had failed of their object, it was necessary to seek some other solution, and that no such solution could be found without the collaboration of Germany. He explained that he himself had long considered that there were three alternative courses from which to choose. The first was to maintain the united front against Germany. The second was to run after Germany with new proposals. The third was to carry on with the work of the Conference in such a way that Germany might in due course be brought back into it. He was opposed to the first and second alternatives, and had chosen the third.

Mr. Henderson went on to speak of the meeting which he had called for 4 o'clock this afternoon. He said that he had only invited representatives of those Powers which had taken part in the conversations which had led up to the suggestions of the 14th October, namely, Great Britain, France, Italy and the United States. He had also invited M. Benes, as *rapporteur-général* of the Conference; he would also have invited M. Politis, the vice-president, had he not been unavoidably detained in Paris. The secretary-general of the Conference would also be present. This seemed to him the body best qualified to consider the position with a view to discovering some possible course of action. He did not conceal from himself that the main difficulty would be with the French, who were rigidly wedded to the suggestions of the 14th October, and to the elaboration of a convention on the basis of those suggestions. The French Government had committed themselves to their public upon the principle of two four-year periods, the first of which would be a period of probation, and it was very difficult for them to recede from that position. A further difficulty was that the present French Government was apparently about to fall, and this would inevitably delay progress at Geneva. It might, however, be possible, as the result of frank conversations at this afternoon's meeting, to bring about some slight modification of that position. The conversations would, if necessary, be continued tomorrow. Failing some tangible result of this meeting, he asked himself what could possibly be done. At one point in the conversation he produced and read extracts from the leading article in 'The Times' of the 15th November, entitled 'A British Initiative', emphasising the sentence: 'What can be done, and by whom?' The implication of [t]his question was not explained; it might be understood as an appeal for a further British initiative.

He said that we all realised that the key to the situation was the Franco-German question. He thought that it might, indeed, have to come in the end to direct Franco-German negotiations. He repeated a remark which he



made yesterday<sup>2</sup> to the effect that he had last July sounded both M. Daladier and Herr Hitler as to the desirability of a meeting between them, and that the response had not been unfavourable, though nothing had come of his subsequent suggestion to that effect, except that he had been attacked by both the French and the German press. Herr Hitler, in particular, had replied that he would be glad to meet M. Daladier, but a great deal of preparatory work would have to be done so as to ensure that the meeting would produce concrete results.

Sir John Simon said that, as he had told Mr. Henderson yesterday, His Majesty's Government had, upon learning that the Germans had thrown out certain suggestions, assured the French Government that they need have no apprehension that direct conversations between France and Germany would be unwelcome to His Majesty's Government. There was, however, one point to be borne in mind in regard to such conversations: what they might lead to was not disarmament but rearmament.

Mr. Henderson said that he was well aware of this, but did Sir John Simon think that any solution was possible without the rearmament of Germany?

Sir John Simon said that there were two ways in which Germany might rearm. There might, on the one hand, be a controlled rearmament of Germany by agreement with the other Powers, or there might be unlimited unilateral rearmament of Germany. Of the two, there could be no possible doubt that the first was much to be preferred. In fact, the second would be disastrous. He recalled a remark made by the German Ambassador in London at a recent interview with Mr. Eden.<sup>3</sup> The Ambassador had said that English public opinion seemed to him to be living in a sphere of illusion. They were willing to see German equality, but were opposed to German rearmament. Since the French would not disarm, how could these two theses be reconciled.

Mr. Henderson then gave a brief outline of the line he proposed to take at this afternoon's meeting.<sup>4</sup>

Sir John Simon assured him of his support for any initiative which Mr. Henderson might take with a view to promoting preparatory diplomatic conversations in parallel with the work of the Conference.

At one point in the conversation Mr. Henderson said that he did not think that there would be any point in holding an immediate meeting of the Bureau, and Sir John Simon said that this confirmed him in the view which he had reached that no useful purpose would be served by any public statement on his part in regard to the character of the October suggestions and their relation to the British Draft Convention. He had found no misunderstanding on these points at Geneva, and elsewhere any misapprehension was being dissipated.

<sup>2</sup> See No. 52.

<sup>3</sup> See No. 44.

<sup>4</sup> For a record of the meeting see No. 64.

No. 57

*United Kingdom Delegate (Geneva) to Foreign Office (Received November 21)*  
*No. 254 [W 13238/40/98]*

GENEVA, November 19, 1933

The United Kingdom delegate to the League of Nations presents his compliments, and has the honour to transmit copies of a record of a conversation between Mr. Eden and M. Viénot, on the 19th November, respecting disarmament.

ENCLOSURE IN No. 57

*Record of a Conversation between Mr. Eden and M. Viénot*

GENEVA, November 19, 1933

M. Viénot, who is a French Deputy, a member of the French delegation, and a close friend of M. Paul-Boncour, whom I have met on one or two occasions here, asked me to see him today that he might state to me frankly a point of view which M. Paul-Boncour could hardly state for himself. The gist of his argument was that, in getting the agreement of the French Government to the concessions of the 14th October, M. Paul-Boncour had used all his influence, and if the debate in the Chamber was carefully read, it would be seen that there were two distinct points of view, which was unusual in French foreign policy. It was no longer that the whole of France thought as Briand thought, but that the Right in French politics had an entirely different conception of foreign policy to the present Government. It was notable, for instance, that M. Tardieu, in a brief intervention, had shown his disagreement with the concessions which the French Government had made.

Broadly, the division was as follows: The Right wished to refuse any further concessions to Germany, to insist on the Treaty of Versailles and upon Locarno, and to cite Germany for her alleged breaches of these treaties. The Left justified the concessions it had offered by pointing to the close understanding with England which these concessions had made possible. If, now, it was to be apparent that England was no longer in agreement, then the whole *raison d'être* of M. Paul-Boncour's foreign policy would be gone. He would fall, a Government further to the Right would eventually follow, and the hopes of a *rapprochement* in Europe, which we all of us desired, would be destroyed. In other words, if the foreign policy of the Left was to survive in France at all, Anglo-French co-operation was indispensable.

There was yet another school in France, which was advocating closer co-operation with Germany. In fact, the question which was frequently put to him by his constituents was this:—

‘Why are you pursuing this policy of disarmament at this time?’

*Answer:* ‘Because by so doing, we keep the public opinion of Europe, and more particularly of England, upon our side.’

'But are you sure that the English won't slip out at the last minute?'

*Answer:* 'Yes, quite sure.'

'All the same, if there is any risk of this happening, we had better try for closer relations with Germany.'

M. Viénot emphasised, therefore, that this desire for closer relations with Germany was not bred of friendship, but of fear. It could not result in disarmament, only in rearmament. It was difficult to over-emphasise this fear which the French people felt. In his own constituency, which was in the Ardennes, the ordinary talk of the peasants was of nothing else. The farmer would not add an outbuilding, nor a prosperous lawyer build a greenhouse, since they would only be destroyed were another war to come.

I said that I had no quarrel with the appreciation which M. Viénot had given me, but how were we to proceed? I understood that what the French Government wished to do was to embody the agreement of the 14th October in a convention. M. Viénot agreed, and emphasised that, in the view of the French Government, the convention was ready. I then reminded him that such an exercise would be regarded by English public opinion as purely academic, useless, and therefore, perhaps, dangerous. The Italian Government had given us clearly to understand that they would not co-operate in such a task, and it seemed hardly likely that the German Government could accept in November the very terms it had rejected in October. It seemed to us, therefore, that if we were to proceed on these lines at all, it could only be by reshaping in some form the agreement of September. The French Government had made, if I might speak frankly, two mistakes: the first, in ever speaking of a trial period; the second, in not stating on the 14th October the disarmament which they had been willing to do. M. Viénot replied that he agreed on both points. As to the latter, would we desire that the French Government should make public the concessions which they were prepared to make? I said that I would have to consult Sir John Simon before I could express a view, but, personally, it seemed to me that the value of such publication would depend largely on its presentation. If the French Government would publish their concessions with the object of showing the world that they were important, well and good; but if publication were only intended to prove to French public opinion their comparative insignificance, then publication would do more harm than good in England. M. Viénot admitted this and said that the non-publication of the French concessions in October was due to French internal politics and to a last-minute nervousness on the part of M. Daladier.

I went on to explain to M. Viénot that, in my view, the only effective way of continuing to work at Geneva now was to seek to agree upon a modification of the offer of the 14th October, so as to eliminate periods altogether. Instead of dividing the eight years into two halves, could we not divide them into four periods of two years each, and begin the first disarmament at the end of two years? M. Viénot did not absolutely reject this idea. He said that it would be very difficult for the French Government and that much would

depend upon the form of supervision which was ultimately agreed upon. The more thorough this was, the more the French could concede in respect of disarmament.

M. Viénot reminded me that only a year ago the French Government was asking for some guarantee of security before it would disarm. All this had been abandoned, and the only security that was now asked for was supervision and assurances for the respect of the Convention itself. He said that I would appreciate how great an advance this was; that, in truth, the French Government now depended on supervision more than anything else for its security. He himself had, in fact, pressed upon M. Paul-Boncour yesterday, when the latter had reported it to him, my suggestion of this sub-division of the Convention and the advisability of trying to do something to meet our point of view in this respect. He did not flatter himself that the French Government were yet prepared for this, but he appreciated the importance that we attached to some departure in form from the 14th October, more especially since this seemed to be the only way of securing the return of Italy to the fold.

I am tempted to draw two conclusions from this conversation and that with M. Massigli yesterday:—

- (1) That though the French Government could not, perhaps, make any further concessions on the programme of the 14th October, they might be able to fall in with a programme which we ourselves had worked out, if it did not greatly modify their position;
- (2) That it is of doubtful wisdom to seek a meeting with the Germans at present. I do not believe that a French Government could agree to such a meeting at our request, because such a meeting would be construed by the present Opposition to the French Government as an indication that we would not stand by them, but wanted them to make fresh concessions to Germany.

A. E.

#### No. 58

*Mr. Patteson (Geneva) to Sir J. Simon (Received November 21, 4.30 p.m.)*

*No. 417 L.N. Telegraphic [W 13300/40/98]*

GENEVA, November 21, 1933, 4.40 p.m.

Following from Mr. Eden:—

We had difficult meeting of four Powers under Mr. Henderson's presidency this morning.<sup>1</sup>

On reflection French are more than ever reluctant to agree to suspension of work of committees. Formula which was agreed upon last night is now regarded by them as indicating that committees will be stopped at once. This they declare they cannot accept. Italians say that text of last night is as far as they can go.

<sup>1</sup> See No. 66.

We are now seeking some form of agreement which may allow of committees being suspended after a few further meetings. M. Benes is concerning himself with this negotiation and we meet again at 5 o'clock tonight.

**No. 59**

*Sir E. Phipps (Berlin) to Sir J. Simon (Received November 22)*

*No. 91 Saving: Telegraphic [C 10237/316/18]*

BERLIN, November 21, 1933

My telegram No. 264.<sup>1</sup>

Talking to one of my staff Count Dembinski, the recently appointed correspondent of P.A.T. agency and a close friend of Polish Minister, expressed his views—which he said were shared by the latter and Polish Government—at great length.

M. Lipski's mission<sup>2</sup> was, he asserted in confidence, neither more nor less than conclusion of an eastern Locarno.

Polish policy had to be adapted to changing circumstances. So long as Europe believed and strengthened Germany's belief that Poland would not discuss the larger issues of the Corridor and Silesia, Poland's policy was obvious. Now that Germany had gone Hitlerite, Poland had to review the position.

There was of course no danger of war but Hitlerism meant war in 20 years or later when Poland would not want it. Poland and Germany had been neighbours since the world began and Poland knew her Germany and knew difference between Hitler and party governments before him. Events of October 14 (Geneva) and November 12 (Nazi referendum) were warnings which Poland could not afford to ignore.

The French would be annoyed but there were only two alternatives—to march or to negotiate. The time to march was now past. It was in April or earlier, and Poland had told France quite plainly that she would abide by alliance and invade Germany if France took the first step but France returned the compliment saying it was for Poland to move first.

After all, by ignoring Poland, France and England were to blame for this new development. Poland always wanted an eastern Locarno, but France and England left Poland to fend for herself as soon as France got her western Locarno. Turning point was reached when Poland was ignored for the second time, namely when the Powers signed the Four-Power Pact excluding Poland, who was also a Great Power in a military sense and indispensable in a political sense in any such pact.

Now was the time to act. Marshal Pilsudski was still strong enough to get his countrymen to accept compromise with Germany, but he was getting

<sup>1</sup> Not printed. In this telegram of November 18, Sir E. Phipps reported that he had heard that Herr Hitler had instructed Baron von Neurath to prepare drafts for a regular non-aggression pact between Germany and Poland.

<sup>2</sup> M. Lipski had been appointed Polish Minister to Germany in October 1933.

old and as time passed Germany would open her mouth wider. There were of course terms to which Marshal Pilsudski could not agree, but he would go a long way. Negotiations would be difficult and protracted and they might even fail. But Germany was now isolated and Hitler would probably give a good deal to break one of the links in the new chain round Germany.

His own mission was to prepare for change in attitude of Polish and German press. He and Dr. Goebbels had matter in hand and a moral armistice would, he hoped, soon be concluded.

General von Blomberg told me last night that it was Marshal Pilsudski who had initiated Polish-German 'no force' declaration<sup>3</sup> and that Herr Hitler had unhesitatingly accepted it.

<sup>3</sup> The reference is to a communiqué issued after an interview between Herr Hitler and M. Lipski on November 15. The communiqué read: 'The Chancellor of the German Reich this morning received a first visit from the Polish Minister, in the presence of the Reich Minister for Foreign Affairs. Discussion of German-Polish relations revealed the complete agreement of both Governments in their intention to deal with the questions affecting both countries by way of direct negotiation, and further to renounce all application of force in their mutual relations, with a view to strengthening European peace.'

## No. 60

*Sir E. Phipps (Berlin) to Sir J. Simon (Received November 24)*

*No. 1159 [C 10268/319/18]*

BERLIN, November 21, 1933

Sir,

In my despatch No. 1044<sup>1</sup> of the 25th October, I had the honour to furnish you with a provisional reply to the specific questions which you addressed to me in your telegram No. 194<sup>2</sup> of the 20th October. In the present despatch I shall endeavour to make a survey of the economic, financial and political situation as I see it today, and to weigh the various factors which are influencing German policy.

2. The general trading and industrial position has undoubtedly shown an improvement in the last few months. There are reported to be about 2½ million more persons in employment than last winter. By far the most successful measure in this field has been the Government contribution towards the repair and sub-division of dwellings, for it has given employment not only to the building industry, but also to the many industries concerned in the provision of material. The industrial output has also increased. The heavy industries are profiting from orders under the Government programme of the 1st June, 1933, as well as by orders for renewals given by private firms under pressure from the Government. The motor-car industry continues to show improvement as a result of tax alleviations. On the other hand, the sales in industries manufacturing consumers' goods are disappointing, presumably because the purchasing power of the nation is still low. In this connexion the

<sup>1</sup> See Volume V of this Series, No. 492.

<sup>2</sup> Ibid., No. 473.

rise in the prices of food-stuffs as a result of agricultural protection has had an adverse effect. In addition, those industries which depend on exports, such as the engineering, electro-technical and chemical industries, are still depressed. Total exports during the third quarter of 1933 exceeded those of the corresponding period of 1932 by 2 per cent. in quantity, but owing to the fall in prices the value of these exports showed a decline of 6 per cent. The seasonal rise in exports which occurred in October 1933 amounted to 13 million marks, as against a rise of 38 million marks in October 1932. The excess of exports over imports dropped from 930 million marks during the first ten months of 1932 to 575 million marks during the same period of the current year.

3. The agricultural depression has been alleviated through measures reducing the farmers' burden of taxation and indebtedness, through the corporative organisation of agriculture in the Reich food estate, and also by the law providing for primogeniture for all estates up to 125 hectares. It is true that the farmers have been told that in return for the various concessions made to them they will be expected to keep the whole of their summer staff employed throughout the next winter. Nevertheless, the Government have given evidence of their determination to create a solid yeoman class which, if the project be feasible—it has already created disturbance in Bavaria and elsewhere—will form an important element of economic and political stability.

4. The general economic improvement is reflected by statistics showing that during the third quarter of 1933 the revenue from wages and salaries was 4 per cent. higher than during the corresponding period of the previous year, this being the first increase which has occurred since the beginning of the crisis. Other statistical indications of revival are the index of industrial production, which has risen from 62·7 in January to 72·0 in September 1933, the highest figure since August 1931, and the increase in goods carried by the railways to about 10 per cent. above last year's level.

5. The Minister for Economic Affairs recently emphasised that the Government's attack on unemployment was not, like earlier efforts, limited to giving work to a few branches of industry by means of direct public orders, but aimed at stimulating private initiative on a broad basis by tax alleviation, marriage loans, vouchers for goods, &c. The system was only in its initial stage, and would bring people back to work in an ever-growing degree. The Government expected a lasting economic improvement from the growing initiative of private enterprise and not from increased activity of the State in business. The State, he said, must, however, give carefully planned employment within its own proper orbit, particularly work which has hitherto been put back. Though Government spokesmen have repeatedly emphasised that private enterprise should be left alone, restrictive and controlling measures have become more frequent recently. The Government has used its power to form compulsory cartels in order to limit in various ways output or sales in certain industries, for example, the jute industry, the wire products industry, the electric lamps industry, and several food-stuffs industries. In addition, there is a distinct move on the part of industry to reform cartels for the purpose of

regulating markets; in a number of cases this has led to price increases. The chief danger of the Government's policy is that it is attempting to restart the economic machine too fast and on too large a scale, with the result that Government intervention will become more and more necessary to prevent a reaction. As I pointed out in my despatch No. 1138<sup>3</sup> of the 17th November, the economic future of the country must to a large extent depend on whether power falls into the hands of Dr. Ley<sup>4</sup> and other Nazi extremists or whether the commercial and industrial life of the country will continue to be guided by the more responsible elements in the Government, such as Dr. Schmitt<sup>5</sup> and Count Schwerin von Krosigk.<sup>6</sup> On this point it is as yet too early to hazard a conjecture.

6. The position of the budget of the Reich is at present not unsatisfactory. The budget for 1933 was balanced at a level not materially different from that of 1932. The possible economies have been largely exhausted during the last two years, and since the advent of the Papen Government last year the policy of deflation has been abandoned. For the first time since the crisis of 1931 direct taxation is now coming in at a rate fairly well up to estimates. Indirect taxation is, however, disappointing, largely owing to the decrease in foreign trade, and consequently in customs revenue. Further, the Government has in the course of the year undertaken additional expenditure or given relief from taxation, particularly in order to relieve the communes from part of the burden of unemployment charges, and in order to stimulate agriculture and prevent agricultural unemployment during the winter. So far as can be anticipated at present, the current year's budget is likely to close with a deficit, but not a large one, and there will be no difficulty in financing this deficit by borrowing on the short-term market. The prospect for next year, however, is distinctly less reassuring, since the budget for 1934 will have to bear additional charges arising out of various unemployment work programmes, which will amount theoretically to some 1,800 million reichsmarks. The actual charge is likely to be considerably less than this theoretical maximum; but, in any case, it must prove a somewhat formidable task to finance this additional charge, which is of the same order of magnitude as the whole of the existing Floating Debt. The Government will no doubt endeavour to finance it by medium- or long-term borrowing, but it is by no means clear at present that the condition of the capital market will make this possible unless abnormal methods of pressure are indulged in. The condition of the communal finances has for some time past been extremely bad, largely owing to extravagance in borrowing and spending in the past. A number of local authorities, including several important cities such as Cologne, have during the past year had to call meetings of their creditors with a view to arranging for the prolongation of loans. The position will, however, be appreciably improved by the action of the Reich (referred to above) in reducing the unemployment charges on the communes, and by the recent law under which some 2 to 2½ milliards of short-term communal debt

<sup>3</sup> Not printed.

<sup>5</sup> Reich Minister of Economics.

<sup>4</sup> Leader of the German Labour Front.

<sup>6</sup> Reich Minister of Finance.



(bearing on the average probably some 7 per cent. interest) will be consolidated in the form of 4 per cent. bonds with a currency of twenty years. This encouragement should induce the communes to make the final effort necessary to put their house in order. Further important financial reforms are in prospect. The anticipated political reorganisation of Germany must be accompanied by a financial reorganisation on a large scale, and it is understood that Dr. Popitz, former Secretary of State in the Reich Ministry of Finance and at present Prussian Finance Minister, has for some time been at work on this subject, on which he is a recognised authority.

7. The figures of the Reichsbank, and more especially those of the commercial banks, appear at first sight to indicate a continuance of the contraction of credit right up to the present date. These figures are, however, subject to a number of special factors which considerably alter their interpretation. It is probable that, in fact, there has been a moderate expansion of credit during this year sufficient to neutralise the gradual withdrawal of foreign funds, and the efforts of the banks to improve their liquidity, and further to provide for the increased industrial activity indicated above. The commercial banks have probably improved the quality of their assets through the thawing of frozen advances, &c., but they have suffered a certain loss of business in favour of the savings banks as a result of the favour shown by the Government to small firms and of a certain amount of propaganda. The enquiry recently opened by the Reichsbank is to consider the whole question of the proper organisation of the banking system, the relative functions of the savings banks, private banks, local banks and the big branch banking institutions, which are the subject of a good deal of theorising among the adherents of the National Socialist party. The capital market is still in an unsatisfactory position. The level of prices of bonds has, indeed, been considerably improved by the recent measures consolidating the short-term debts of the communes and empowering the Reichsbank to conduct open market operations. This improvement is at present largely psychological, since the Reichsbank's operations have not yet proceeded far. An experiment is, however, being made in testing the market by the offer of two and a half year Treasury notes of a kind which have not been issued since before the banking crisis (except as part of the advances made by the Government for the support of the banks). The share market, on the other hand, is in a thoroughly unsatisfactory condition, and the average level of quotations, after rising appreciably up to last May, has now fallen back to the level of last December.

8. To sum up, the financial and economic position is sufficiently favourable to enable Herr Hitler both to claim credit for an improvement and to face the immediate future with a reasonable degree of confidence.

9. The political situation is not so easy to describe. The advent to power of the National Socialists, though accompanied by relatively little bloodshed, was a revolution. These words have been used before, but their purport is not always grasped abroad, since men cannot imagine that this outwardly orderly country is still in a revolutionary ferment. In the Government conflicting forces are at work, and there is insufficient unity of command. The

public mind is confused by the multiplicity of orders and excited by the constant stream of propaganda which flows from the lips of public men, from the radio, from the hoardings and from the newspapers. It is difficult through the smoke, which still hangs thick over the battlefield, to discern the dispositions of the German forces or their intentions. One thing is, however, certain. Herr Hitler's position is unassailable, even in circles which do not approve altogether of National Socialism, and he has definitely enhanced his prestige by the election, or rather by the speeches which he made during the election campaign. There is no doubt that the masses were surprised and impressed by his change of tone after he left the League. In all previous campaigns he was, of course, fighting for his party, and reviling his enemies. During the election campaign he hardly mentioned Marxism or National Socialism, and was much less violent in his abuse of his predecessors. All his speeches were paraphrases of one and the same discourse, a little pungency being added from town to town. Above all his final speech to the German working-classes, delivered *ex tempore* from the dynamo erecting-shop at the Siemens works in Berlin, was a masterpiece, which not only impressed the working-men but everyone who heard it in Germany. The Germans are a docile people and do not resent being made to hear a speech if the speech is a good one, and on this occasion it was excellent. The workmen went away flattered and rather consoled for their political defeat of last February. Here was the new Chancellor, the man of blood and iron, and he did not sound at all like the ogre of twelve months ago, when he was a Nazi attacking the Marxists. 'I am one of you', he said in so many words. 'I have earned my bread like you, fought four years in the war like one of you: I belong to you and you only now, and I am fighting for you, fighting for millions of brave, hard-working, frugal German men and women. I would not have fought to reach my present position if I did not think you worth fighting for. Now believe me, you cannot afford the luxury of political parties and all that they entail. Your enemies abroad exploited your weakness and your dissensions in the past and especially since 1918. You cannot afford internal strife when you have to fight to recover your position among the nations. Unless Germany wants to remain an outcast she must insist on "Gleichberechtigung", and she can only do that if all Germans stand together like one man. Take me then as your leader. I have shown you that I can lead, and I belong to no class, no calling, only to you. This election is not for me. I don't need it. My position is impregnable without it. It is you, the German people, who need it in order to show the world that you are serious on this issue of "Gleichberechtigung", and that you want peace and disarmament and want to win back your position among the nations.' This was the gist of the message 40 millions of voters heard, or thought they heard, on the radio, a paraphrase of the message which had been dinned into them either personally or on the radio throughout the election campaign. It made it easier for them to forget the past and vote for Hitler, especially as foreign voices in the shape of the 'Lloyd George' poster in Prussia and the 'Papal Nuncio' poster in Bavaria urged them to do so.

10. Herr Hitler's instinctive knowledge of German psychology and mass

psychology was never displayed so effectively as on the 10th November. For that matter his foreign and internal programme, in its latest guise, is calculated to appeal to the great masses of the people on its merits. His foreign policy he summed up on the election posters as 'peace, honour and equality'. His home policy is that neither workers' wages nor the hours of work are to be reduced except on conditions acceptable to both sides. The price of food-stuffs is not to be altered, and the farmer and peasant are satisfied with the programme of stability. The winter help campaign is on a colossal scale, and though it may be said that very little is being done in other directions, the little that is being done is sensible. The advocates of a new Teutonic religion and a revised bible have been summarily dealt with. Numerous unsatisfactory laws are being amended in a common-sense way. To take a few instances: the marriage law is being improved in some respects. Penniless young men of title can no longer make bogus marriages and divorces and so sell titles to ambitious women for a few thousand marks. The indiscriminate administration of oaths in legal practice is to cease. The habitual criminal is to be laid by the heels. Hitler is, in fact, able to do and is doing things which the country needed but which the party system obstructed. The famous 'unalterable' twenty-five points have been shelved, and Dr. Goebbels says that the party is 'subject to the eternal law of evolution'.

11. The masses are convinced that Hitler is now converted to a policy of peace and reconciliation. They realise, however, that he will insist on Germany being given a fair deal, and that the time for humiliation is at an end. Hitler's own followers are rather taken aback by the pace he is setting, and do not seem to be able to grasp all that is happening. They have a vague feeling that Hitler is growing out of their ranks and that he is now well on the way to complete and independent control of Germany. If they grew obstreperous they know that he has only to appeal to the crowd since the general election. The S.A. has not become superfluous, but for the moment it is not the power it was. Herr Hitler is becoming the people's Chancellor and, even if economic stress continues, the crowd will be patient, believing that no one could have succeeded where he failed. The dissensions between the right and left wings of the party, the tension with the Vatican, the controversies in the Evangelical Church and, above all, the apparent inability of the Nazi authorities to maintain a tight hold over the rank and file are all sources of weakness to the régime, but there is no reason to believe that they will bring it down.

12. In the realm of foreign affairs the burning question is that of 'Gleichberechtigung'. It was the issue on which the election was fought and it occupies the stage to the exclusion of almost every other question. In order to help me in estimating the intentions of the German Government in the matter of disarmament or rearmament, I asked the three Service Attachés to give me their views on the actual position. The following represent my conclusions based on their reports.

13. Herr Hitler has not hitherto attempted to interfere with the general policy of the navy. The normal building programme is continuing on the lines laid down in 1931, and although the 10,000-ton armoured ships which

should normally be laid down in 1936 and 1937 may be advanced to 1934 and 1935 respectively, this is not in itself an infringement of the treaty and has nothing to do with any general scheme of rearmament. No proof can be obtained that the naval clauses of the peace treaty have been infringed. The German naval officers with whom the Naval Attaché has been able to discuss matters all hold moderate views and give no evidence of any aggressive spirit. The navy would undoubtedly like some submarines and naval aircraft, but there appears to be no intention of building them at present.

14. General von Blomberg only last night assured me that Hitler would never dream of building a big navy in any way threatening Great Britain. A small efficient navy was all he wanted, sufficient to count in any grouping of powers that Germany might join. A few small submarines, for strictly defensive purposes, and a very few battleships of over 10,000 tons were, however, desirable.

15. The foundations of a comprehensive organisation for providing Germany with air personnel and aircraft material in case of war were laid down, I believe, in 1923. At the time, the strength of party feeling prevented this organisation from achieving the results required of it. Complete co-ordination of air effort throughout the country has now, however, been achieved by the Nazi policy of unification and the establishment of the separate Reichsluftfahrtministerium, which has absolute control of every aeronautical activity in the country, and which has not only taken over the senior service personnel of the Reichswehrministerium's air section, but a senior member of the Heeresleitung's 'personnel' branch as well. It seems possible, therefore, that it is the intention of the German Government that the Reichsluftfahrtministerium may eventually become the counterpart of our Air Ministry. The necessity of an air force has been impressed upon the nation in and out of season for the last ten years and more. The recent expansion of governmental air staff, the appearance of a uniform for the Deutsche Luftsport-Verband and the creation of the Reichsluftfahrtministerium may all be indications of the German Government's intention to unveil an air service at the first propitious moment.

16. In the military sphere it is difficult to avoid the conviction that the Reichsheer now consider the articles of the Treaty of Versailles, which deal with limitations and restrictions on themselves, as no less moribund than those which deal with the payment of war debts. The professional soldiers, both active and retired, were not content to await the elections to declare their strong approval of the Chancellor's action in withdrawing from the Disarmament Conference and the League of Nations. The chairman of one of the ex-officers' associations wrote to the press to express their heartfelt gratitude for this fulfilment of long-felt desires and hopes, while the Chef des Ministeramts (Colonel von Reichenau) seized upon the occasion of the presence of the Military Attachés at the Reichswehrministerium on the 10th November to make a short address, in which he emphasised the whole-hearted approval of the serving soldiers. In explanation of the step, he described how almost every question put to the Ministry during the last fifteen years was

accompanied by the inevitable remark: 'Aren't you doing something which is prohibited?' He went on to say that for one and a half years they had given the Disarmament Conference and all other conferences a fair chance: they had not, however, succeeded in having the intolerable word 'Verboten' removed. They were under the impression that foreign countries failed to understand this peculiar situation of the German people and the German army. It was painful to them to be still regarded as a nation into whose hands weapons may not be placed, lest they do mischief with them. But in order to show the world what was at stake, it was necessary to make this demonstrative gesture of withdrawing from the Disarmament Conference and the League of Nations. The Military Attachés might have no decisive voice in these matters, but they possessed judgment, and he had more confidence in their judgment as officers than he had in the judgment of politicians.

17. Individual officers have always resented the necessity of concealing their efforts to increase the efficiency of the Reichsheer, and they now seem to view the prospect of escape from this with great relief. At the same time there is no indication that any blatant or provocative steps are to be taken in the near future to build up the Reichsheer. Colonel von Reichenau took the trouble to explain that any increase in man-power must be preceded by the production and training of adequate officer personnel. They had come to the conclusion that neither the number of officers (approximately 4 per cent.) nor the instructional facilities were adequate for even their present strength. In their opinion 6 per cent. represented the minimum number of officers; therefore, for an army of 200,000 men, 12,000 would be required. As regards instructional facilities, orders had already been issued to provide additional educational institutions. It would, therefore, appear probable that the illegal schools of instruction, such as the Staff College, will be allowed to appear in public. Steps have already been taken to increase the accommodation at the basic school of instruction at Dresden and to shorten the courses of instruction, so it is more than probable that a greatly increased number of officer candidates have been accepted at the beginning of the last course in October. As regards material, Colonel von Reichenau told Colonel Thorne that the question was not urgent for the moment, and that money was all that was required in this respect. It is rather significant that, according to reliable reports, the various munition works in Sweden, Holland and Switzerland, associated with German firms largely for experimental work, have all shown signs of closing down during the last few months, the inference being that the factories inside Germany will henceforth undertake the necessary production. As regards the war plans of the German army, Colonel von Reichenau, speaking of the present Polish-German negotiations, said that the defence of East Prussia represented the main and most urgent strategical problem. They were convinced that any attack on Germany would take the form of an invasion of East Prussia. The Poles would build up a strong defensive flank along their western frontier and then overrun East Prussia with at least sixteen divisions. Against this overwhelming attack the Reichsheer had only one infantry division, some cavalry units and such additional strength as

could be provided by the S.A., S.S. and St., but this force would contest every yard of territory back to the sea. Their predicament was that to this 'island' of East Prussia not a single man of the Reichsheer could be sent because they could not afford to denude the remainder of Germany lest action be taken by France or some member of the Little Entente. The importance attached by the army to the Polish front was clearly illustrated by Colonel von Reichenau, who, in the course of a discussion on the choice of personnel, said that he had recently declined to allow the appointment of a battalion commander in East Prussia on the ground that the man, though possessing a good peace record, had shirked fighting during the last war. Such men, he explained, were not the type required to face the Poles.

18. In contemplating the situation outlined above and arising out of an electoral campaign waged against a practically non-existent adversary and conducted with propaganda methods of unexampled violence and mendacity, one is tempted to put certain far-reaching questions regarding the future of the Hitler movement and the future policy of Hitler. It has been asked, for instance, whether the movement is not a convenient screen behind which the Prussian nationalism is weaving its dark web. This may well be, but if so the screen itself is singularly inefficacious and fails to conceal the fact that the youth of Germany is being reared in a purely militarist spirit. I told the Chancellor that militarism seemed to me to be the *leitmotiv* of this country, whereas elsewhere it was merely an incident, and that a spark might suffice to kindle that militarist spirit into a warlike flame. I might have added that the above-mentioned campaign of lies, depicting Germany as the one innocent lamb among a pack of wolves, was not calculated to inculcate in German youth that spirit of peace and understanding advocated so inappropriately and so loudly after Germany's banging of the Geneva door.

19. As regards Hitler, I doubt whether he himself realises how far he is at present the author of 'Mein Kampf', the full-blown blood-and-thunder book as originally published in Germany, that is to say, and not the recent pale, abridged and bowdlerised edition which has been published by his direction and translated into English. Towards the end of his book Hitler wrote as follows:—

'What have our Governments done to replant in the hearts of this people the spirit of proud self-assertion, manly defiance and passionate hate?

'When, in the year 1919, the treaty of peace was imposed on the German people, one would have been justified in hoping that it would be this very instrument of unlimited suppression which would have given added strength to the cry for German freedom. Treaties of peace which impose on whole nations conditions which scourge like a lash, often sound the first drum for a later rising.

'How much might have been made out of the Treaty of Versailles!

'How well this instrument of unlimited extortion and most shameful degradation might, in the hands of a determined Government, become a means by which Nationalist passions could be whipped up to white heat! How well a genius for propaganda might utilise these sadistic cruelties to

raise the country from indifference to indignation, and from indignation to the height of fury!

'How every one of these points might be seared into the brain and heart of this people until at last, in the minds of 60 million souls, both men and women, the shame and the hate which they felt in common became that single blazing sea of flame from which would be forged one desire, and from which would rise one cry:—

'WE WANT ARMS AGAIN!'

20. Who can tell how far this Hitler resembles the present German Chancellor, who has been making the welkin ring with shouts of peace? In some respects it is certain that he remains true to type, for he has not varied over the Jewish question or Austria since writing his book; but it would be too simple, and even perhaps dangerous, to assume that he maintains intact all the views held and expressed with such incredible violence in a work written in a Bavarian prison ten years ago, though, of course, those views cannot be left out of consideration in any endeavour to gauge the Chancellor's intentions on any given subject. His hatred of France as Germany's deadliest enemy, for instance, is written in flaming letters, and certainly seems difficult to reconcile with his recent attempts to wheedle her into a *tête-à-tête* conversation.

21. Again, the recent no-force agreement with Poland is undoubtedly regarded by my French colleague as an attempt to drive a wedge between that country and France. Yet, though this may have entered into Hitler's calculations, the fact of German-Polish 'apaisement' should nevertheless facilitate the possibility of an understanding between France and Germany. In this connexion, General von Blomberg's remarks to me last night, already reported by telegraph and despatch,<sup>7</sup> are of interest, for he and Herr Hitler certainly think that it will in the end be easier to reach an understanding between the two countries on the basis of the Chancellor's proposals to me, after the emergence of a strong French Government such as a Daladier-Tardieu combination. They feel that the present Sarraut Government is far too weak to be able to induce the French Parliament and people to come to any really reasonable understanding. General von Blomberg has tried in vain, he tells me, to elicit from the French what they mean by the blessed word 'security'. Hitler had said to him the other day that to inspire such fear showed that Germany had fought too well in the war. General von Blomberg then remarked to me that the Germans, to bring security, would even agree to a defensive alliance between Great Britain and France, as advocated by Lord Rothermere, provided, of course, it contained no secret clauses directed against them; and there they felt that they could trust England.

22. To revert to Hitler: We cannot regard him solely as the author of 'Mein Kampf', for in such case we should logically be bound to adopt the policy of a 'preventive' war, such as the Poles and French half-heartedly bid each other initiate last spring ('Tirez les premiers, messieurs les Français')

<sup>7</sup> See No. 67.

(see my telegram No. 91 Saving<sup>8</sup> of the 21st November), nor can we afford to ignore him. Would it not, therefore, be advisable soon to bind that damnably dynamic man? To bind him, that is, by an agreement bearing his signature freely and proudly given? By some odd kink in his mental make-up he might even feel impelled to honour it. His signature under even a not altogether satisfactory agreement, only partially agreeable to Great Britain and France and not too distasteful to Italy, might prevent for a time any further German shots among the international ducks. His signature, moreover, would bind all Germany like no other German's in all her past. Years might then pass and even Hitler might grow old, and reason might come to this side and fear leave that. New problems would present themselves and old problems, including disarmament, might perhaps have solved themselves through the mere passage of time, and without those Herculean and hitherto vain efforts to satisfy German 'honour' and allay French fear.

I have, &c.,  
ERIC PHIPPS

<sup>8</sup> No. 59.

#### No. 61

*Mr. Patteson (Geneva) to Sir J. Simon (Received November 22, 9.30 a.m.)*

*No. 418 L.N. Telegraphic [W 13310/40/98]*

GENEVA, *November 22, 1933, 12.30 a.m.*

Following from Mr. Eden:—

My telegram No. 417.<sup>1</sup>

As French delegate is apparently not in a position to agree to any form of words which fails to imply that work of Committee[s] will continue for a time at least no agreement was reached on formula this afternoon.<sup>2</sup> President in his statement to the Bureau tomorrow will use modified text of original draft according to which 'the President, in consultation with officers and chairmen of Committees, shall advise how far work of Committees shall be carried on in the meantime', to which Italy, United States and ourselves agree. French may make observations in the Bureau tomorrow and if so Italians may be compelled to follow. We have done our utmost to counsel moderation to both sides.

It is not anticipated that a meeting of the General Commission will be necessary.

<sup>1</sup> No. 58.

<sup>2</sup> This telegram was drafted on November 21.



## No. 62

*Sir E. Drummond (Rome) to Sir J. Simon (Received November 22, 9.30 a.m.)*  
*No. 345 Telegraphic [W 13316/40/98]*

ROME, November 22, 1933, 1.40 a.m.

Baron Aloisi told me today<sup>1</sup> that he understood that a formula was being sought at Geneva which would allow of a postponement of work of the Conference. If this were found—he added British and Italian views had more or less coincided but that France was still difficult—then he thought diplomatic negotiations should at once be begun and he suggested that he and the three Ambassadors here should be the negotiators. I remarked that this differed from his previous suggestion that negotiations should start between Great Britain and Italy. He said he was quite willing to adopt either plan but no time should be lost as the situation was not improving. Main difficulty was weakness of present French Government. As soon as negotiators had secured a reasonable measure of agreement a meeting of Foreign Ministers should be held to confirm and sign, but not before.

As Baron Aloisi did not indicate on what basis negotiations should be begun, I asked him whether he had news from the German side as German Government seemed inclined to develop their previous ideas on the subject. He answered that German Government held much the same language to Italian Government as they did to us, but I doubt whether they have conveyed to Italian Government information contained in Sir E. Phipps's telegram No. 265.<sup>2</sup>

Repeated to Berlin and Geneva.

<sup>1</sup> This telegram was drafted on November 21.

<sup>2</sup> Not printed. This telegram of November 21 summarized Sir E. Phipps's conversation with General von Blomberg, reported more fully in No. 67.

## No. 63

*Mr. Patteson (Geneva) to Sir J. Simon (Received November 22, 7.0 p.m.)*  
*No. 420 L.N. Telegraphic [W 13361/40/98]*

GENEVA, November 22, 1933, 6.55 p.m.

Following from Mr. Eden:

At meeting of the Bureau this afternoon the President made statement proposing postponement of General Commission until during or after January Council meeting, actual date to be fixed by the President and officers; parallel and supplementary efforts with full use of diplomatic machinery to be undertaken immediately, President being kept informed and final results reported to him, and the President in consultation with the officers and chairmen of the committees to be advised how far work of the committees should be carried on in the meantime.

The suggestions were unanimously accepted without discussion.

No. 64

*United Kingdom Delegate (Geneva) to Foreign Office (Received November 23)*  
*No. 260 [W 13397/40/98]*

GENEVA, November 22, 1933

The United Kingdom delegate to the League of Nations presents his compliments, and has the honour to transmit copies of a record of a meeting with Mr. Henderson on the 19th November respecting disarmament, of which a copy has been sent to His Majesty's Ambassador at Paris.

ENCLOSURE IN NO. 64

*Record of Meeting held at the Hôtel de la Paix, Geneva, on Sunday,*  
*November 19, 1933, at 4.0 p.m.<sup>1</sup>*

Present:

*Officers of the Conference.*

Mr. Henderson (accompanied by Mr. Ziliacus).

Dr. Benes (accompanied by M. Heidrich).

M. Agnides.

The Secretary-General.

*France.*

M. Paul-Boncour.

M. Massigli.

*Great Britain.*

Sir John Simon.

Mr. Eden.

Mr. Strang.

*Italy.*

Signor Soragna.

Captain Ruspoli.

*United States of America.*

Mr. Hugh Wilson.

Mr. Mayer.

The President opened proceedings by saying that he was exercised in mind as to the present position of the Disarmament Conference. In June last the General Commission had decided not to begin the second reading until a greater measure of agreement had been reached. It authorised the President to conduct certain negotiations and these negotiations had produced useful results. But there were also certain political difficulties in regard to which conversations were held by the Powers chiefly concerned—including Germany. In October he invited Sir John Simon to report to the Bureau the results of these conversations. The German withdrawal followed. It therefore seemed to him essential that the representatives of the four Powers who

<sup>1</sup> This record was made by the British representatives for the use of His Majesty's Government.

had taken part in those conversations should now meet to re-examine the situation. Mr. Henderson recalled that at the meeting on the 15th October, after the German withdrawal, he asked whether the Conference should go on to conclude discussions on Sir John Simon's report and discover how far that report was agreed upon, or whether the Conference should go on to negotiate a convention without Germany and then open it for signature. This question is [*sic*] still as important now as it was on the 15th October. Although it was true that work was at present going on, several delegations were anxious as to the wisdom of proceeding without Germany. It was therefore necessary for the Powers to consider what course would best help to bring the Conference to a successful conclusion in present circumstances.

Mr. Henderson said that they could not ignore the various suggestions which had been made in the press in several countries as to the best means of getting Germany back into the Conference. The initiative ought not to pass out of the hands of the Conference. This might happen if the present indecision continued. They all knew the position reached on the 14th October. That position remained the same at the present moment, but he asked whether we were sure that by standing rigidly upon that position we were choosing the best course to safeguard the peace. M. Paul-Boncour had said that France was still ready to receive and examine any concrete proposals addressed to her. This was the right attitude. But how were such proposals to be submitted? If through Ambassadors, when was this to be done? Or should one Government take the initiative in order to discover what the proposals should be? Were we to begin a second reading without knowing the results of any outside efforts that might be made? He submitted these reflections because it was upon the Powers represented at the meeting that success would depend.

Sir John Simon said that the United Kingdom delegation, like the other delegations represented, had come to the meeting with a desire loyally to help the chairman in his task and to contribute anything they could to promote the success of the Conference. Failure would be an unmitigated calamity and he would do anything he could to avoid any such deplorable issue. He did not take the view that the setbacks which had occurred were fatal to the Conference, but it was clear that if we took the wrong course now we should do irreparable injury. He thanked Mr. Henderson for the way in which he had stated the relation between the British Draft Convention and the suggestions of October. There was no misunderstanding on that point in Geneva. Any misunderstanding there may have been elsewhere had been largely dissipated. The British Draft Convention was now the draft of the Conference. It was and had remained the broad basis upon which they were all proceeding. It had never been abandoned and nothing had been substituted for it. It would be folly to abandon it. It was a basis which had been generally accepted, and Germany as well as others had adhered to it. On this basis they had been trying to build. Mr. Henderson's own work in that respect had been of importance, but his discussions which had taken place

in the various capitals were not a substitute for the British draft. The suggestions put forward last October and accepted by the Powers represented at the meeting and others were put forward to help in the completion of the draft itself. There was no question of going back to March or to June; that would not advance matters. The British draft was a framework which required completion. The fact that had to be faced, however, was that the suggestions of the 14th October were not in fact such as seemed likely to lead to the general agreement necessary for the conclusion of the Disarmament Convention. The impression he himself had was that we should not too pedantically or too rigidly pursue the precise lines of those suggestions, but recognise that they, like others, represent efforts to develop the British draft into a shape which would be generally acceptable. The choice therefore was not either to stand by the suggestions of October or to go back to the draft of March; that was not the alternative. The true alternative was either to stand rigidly by the formulae of October or to recognise that further effort was necessary to make an advance, to reach a text which would indeed be an elaboration of the Draft Convention, but would also perhaps be different from the suggestions of October which had been found not to command general assent. He noted Mr. Henderson's remark that it was not merely a question of Germany's withdrawal, but that there were other States who had seen difficulties in a pedantic rehearsal of the October suggestions. He spoke with a full understanding of the circumstances of our French friends. Nevertheless, as at present advised, he did not consider that we should stand rigidly by the suggestions of October, but should develop and improve the existing draft without regarding ourselves as limited to one particular form of treatment. The question was how to set about it. He spoke on second-hand information, but he had come to doubt the wisdom of proceeding by means of the two committees which had been set up and were already working. We must be quite clear as to the object. Was it to incorporate the suggestions of October into a document merely to show the world the joint position of the Powers represented? This would never lead to an agreement with Germany. Or were they trying to work out a set of proposals, in the absence of Germany it was true, but without so conducting themselves as to make an agreement with Germany more difficult? If so, he doubted whether the procedure adopted was the best.

He would try to state his position clearly. In the first place, he was unreservedly partisan of the view that the work of disarmament must continue and that the results obtained must be enshrined at Geneva under the guidance of Mr. Henderson as a work of international co-operation. It would be a mistake to suppose, as he hoped Signor Soragna would confirm, that the Italian view would differ from this. They were all aiming at a disarmament convention which would be the work of them all, concluded under the guidance of Mr. Henderson here at Geneva. He was therefore entirely opposed to the abandonment of the Conference or to any admission that it had failed.

In the second place, he asked himself whether it was clear that to carry on

detailed work day by day on the plan laid down by the Bureau on the 11th November was the best or the only way to bring about that result. He had no desire to see the work of the Conference shut down, but he asked himself whether, as a kind of intermediate stage, there was not much that could be done in parallel with the work at Geneva with the object of getting to grips with the political questions involved, not necessarily of course by public discussions. The suggestion had been made that the Germans might be willing to get into direct contact with France. This was a tremendous question, a decision in regard to which could be taken by the French alone, and their loyal friends would accept their decision as one inspired by fidelity to the best interests of peace. His Majesty's Government would not in any way seek to discourage such direct contact. This was an example of work which might be undertaken in parallel with the work in the immediate charge of the President. London and Rome might also have some part to play. Furthermore, it did not follow that, because there might be a variation in method during the next few weeks, Mr. Henderson himself should be idle.

To sum up, he would say first, on behalf of His Majesty's Government, that he was grateful to Mr. Henderson for describing so justly the relation between the suggestion made by common accord on the 14th October and the Draft Convention which still remains the basis of work. The Draft Convention still held the field, but it was necessary to go forward and not back, but he doubted the wisdom of rigidly standing by the suggestions of October.

Secondly, that the right course was not to regard the work of disarmament as work which had met with an overwhelming setback, but as work which could go on in the hope of achieving the results that they all desire.

Thirdly, that the basic question was whether work which might be done in parallel with and supplementary to the normal machinery might not be of importance. It might therefore be desirable to consider a revision of the present programme, without of course losing any portion of the contribution so valiantly made by the President, who would continue to enjoy the loyal co-operation of all.

M. Paul Boncour said that his arrival in Geneva at the President's invitation showed that the French Government were prepared to do everything necessary to save the Disarmament Conference from the grave peril in which it stood as a result of the second departure of Germany. The French Government would not fail to aid the President in such measure as might be permitted by the interests with which they were charged.

In order that there might be no misunderstanding, he would wish first to correct the interpretation placed upon a remark in a recent speech of his in the Chamber, referred to by both the President and Sir John Simon, in which he stated that France was ready to receive and consider any concrete proposals addressed to her by Germany. When he made this remark he was referring not to disarmament, but to offers repeatedly made in public for direct political conversations for a general settlement of outstanding questions

between the two countries. France was ready to discuss with Germany, through the usual diplomatic channels, any differences that might exist between them.

As regards disarmament, the French Government thought that it was only at Geneva that any solution could be found, for the reason that disarmament was of concern to all States and not merely to some. It might unfortunately occur, as a result of the withdrawal of Germany and of the hesitations that had manifested themselves in other quarters, that the Conference might not succeed. If so, the mutual relations between France and Germany in the matter of armaments were of such vital concern that an attempt might have to be made to reach a settlement either directly or by some international procedure.

As regards the present proceedings of the Conference, he did not quite agree with Sir John Simon's criticism of the procedure adopted. That procedure seemed to him to be that best designed to reach a successful result. He would not, however, make difficulties about points of procedure. His approval of the procedure already adopted was based on a conception of the substance of the matter, which seemed to be rather different from that held by Sir John Simon. If one started from the position as it stood on the 14th October, it was obvious that the departure of Germany had altered the situation for the worse. The real point was whether this change for the worse justified us in abandoning the work of the 14th October in the sense that the precise drafting of that work would be of no value. If, on the other hand, it was agreed that the principle of that work was to remain, the work of drafting would naturally retain its full value. The point at issue was to discover whether we stood on the bases of the 14th October. The position of the French Government, approved by the Chamber, was that the work could not be pursued on any other bases. How would it be possible for other members of the Conference, and how would it be possible for public opinion to understand in what way the departure of one member, however important, should alter the bases of agreement arrived at prior to the 14th October after laborious negotiations? He could understand the argument that the departure of Germany should make it useless to continue further work, though, of course, he did not share that view, but, if it was thought that the work should continue, how was it possible to conceive that, for that reason alone, all other parties to the debate should modify the common position they had arrived at? All the work preparatory to that action had been done with a view to the possibility of securing Germany's agreement, but the reasons which the States in question had for assenting to those bases could not have been changed by the mere fact of Germany's departure. He would draw attention to the great difficulties which would have to be faced if those bases gave place to a search for new bases.

He would emphasize that the kind of permanence which attached to the British Draft Convention did not provide an adequate basis for agreement. It had been plain at the end of the first reading that important reserves had been made in many quarters. There were, in fact, so many differences that

the Bureau thought it well to invite an exchange of views. Hence the President's journeys, and the conversations between the Powers represented at the present meeting. Those conversations were carried on with a sense of responsibility, and the conclusions reached had been the object of a public statement. Important concessions had been made, and France, in particular, had made promises of substantial reductions in armaments as part of and in consideration of a proposed general settlement. These things stood together as one whole.

He would ask the President and Sir John Simon to weigh the importance of what he was about to say. During the course of the conversations to which he was referring there had been important events in Germany. The sketch or outline of an agreement which had been ultimately reached had a close connexion with those events. If that sketch provided for a system of control which would permit of the checking of certain results, and if reductions were to be made conditional upon that check, this was, indeed, no accident. It had a direct relation with the rearmament of Germany. The President had referred to these events on the 9th October in the Bureau. Sir John Simon, both on the 14th October in the Bureau and later in the House of Commons, had stated that events in Europe could not be disregarded. It was the facts of the situation which had brought about a change in the plan. Germany's departure from the Conference had in no way changed these facts. On the contrary, the departure of Germany could only increase the uneasiness, not only of France, but of other nations bordering on Germany. Germany withdrew at a moment when she was about to receive large satisfaction for her demand for equality, not merely in principle but in practice. For the first time she was to be given equality in black and white. She rejected the period of supervision for the mere reason that, before equality was to be achieved, there would be a period of control, of observation, of experience, to which the initiation of reduction of armaments was to be subordinated. Loyalty commanded him to say that whatever procedure might be adopted, his Government would continue to maintain its adherence—he would not say to the signed agreement—but to the very precise projects of common accord embodied in the declarations of the 14th October. The best way to take account of the facts which now dominated the European situation would be to conclude a convention on the lines conceived on the 14th October, embodying provisions for supervision. If this course was not adopted the League of Nations must be brought face to face with its responsibilities, and he wished to say for his part that his Government would not shirk the issue.

Signor Soragna thanked Sir John Simon for having so exactly interpreted the views of the Italian Government on so many points, above all on the capital point of the destiny of the Conference. The differences which separated the views of the Italian delegation from those of others were chiefly differences of method. It was absolutely necessary to complete the convention. If, after an adjournment or a period of conversations, the Conference

did not resume its work at Geneva, this would mean a complete failure. The work must continue under the guidance of the President, who had directed its deliberations since the beginning. If the President went, this would rightly be interpreted as the failure of the Conference. He also wished to say that Sir John Simon's estimate of the character of the declarations of the 14th October entirely corresponded with that of the Italian delegation. They were designed to be the starting point for discussions on the basis of the British Draft Convention. The Italian delegation had never conceived them to possess a rigidity which was not capable of modification. This was a question not merely of fact, but of necessity. The withdrawal of Germany had come as a surprise to the Italian delegation and there had been nothing in Sir John Simon's words to justify it; but rigid adherence to the suggestions of October would compromise the future. The alternative before them was not, as Sir John Simon had rightly said, a choice between the suggestions of October and the British Draft Convention as it stood at the end of the first reading. It seemed to him also that there was really nothing in the proposals of October to warrant Germany's action, and he wondered whether it did not arise, perhaps, from a misunderstanding of the precise nature of the proposals. The difference with Germany did not lie either in the principle of the progressivity of reduction or in the principle of the operation of supervision from the outset, but rather in a difference of interpretation of equality in the first stage. The rupture was not, he thought, irreparable if one adopted a plastic policy; all hope of agreement had not been lost. But if we took up a rigid position those hopes would grow less.

As to the present proceedings of the Conference, he must confess some uneasiness. If our position was a rigid one, why go on working in the committees? If it were not a rigid one, why go on working as if it were? Supposing, as a result of the present procedure, the text of the convention was negotiated, we should then be brought up against a blank wall. This prospect disquieted his Government, whose only desire was to preserve peace and good understanding. He entirely agreed with Sir John Simon's views as to the work now being carried on by the committees. They seemed to him to be working at full speed on the proposals of the 14th October and bidding fair to spoil the atmosphere. The subject matter of both committees, namely, effectives and supervision, were two of the capital points of the proposed first period. If the desire was to open negotiations with Germany, the continuation of this work would make this more difficult. He had put this point at the Bureau, and for that reason had suggested that all work should be committed to *rapporteurs* rather than to committees.

If he might sum up, he would say that the Italian Government desired to save the Conference at all costs. One way out might be to take up conversations on the basis of the ideas of last June and try to find common ground of agreement. Once such agreement was reached in general terms the Conference could get to work again, and there would be plenty of work for it to do. It could then go on with confidence in a different atmosphere. His Government would contemplate with much disquiet any continuation of



work on the present lines; this was shown by the attitude the Italian experts had taken up on the committees. They were not, strictly speaking, observers, but the situation as it stood made it impossible for them to contribute anything. The Italian Government wished as far as possible to maintain a common front, but they would above all maintain an attitude of prudence.

Mr. Wilson said that his colleagues would forgive him if he was not in a position to state the views of the United States Government. He was at a great distance from his own country, and the issues before them were very complex. He hoped, however, soon to be able to speak with authority. If, however, he might be allowed to speak personally, he would say that it seemed to him that disarmament was a world question, and that his Government was as anxious as ever to reach a conclusion. He would remark, nevertheless, that the present phase was a peculiarly European phase, and in this connexion he would recall the statement made by Mr. Norman Davis on the 16th October.<sup>2</sup> He would confine his remarks, which could only be tentative, to Sir John Simon's first point. Attention had been given in September and October last to the question of modification of the British Draft Convention by common agreement. Events had shown that such agreement was not possible. It seemed, however, material to observe that if Germany had not withdrawn from the Conference and if she had accepted part of the suggestions of the 14th October and had rejected part, negotiations would not have been abandoned, but an attempt would have been made to negotiate a new solution. Business men, when they had problems to solve, tried one alternative solution after another, until they found one acceptable to all. The situation should therefore, he thought, be re-examined.

It was agreed, at the President's suggestion, that the same representatives should meet again at 3.30 p.m. on the following day, the 20th November. It was decided that the President should prepare and issue a communiqué to the press, and that no reference to the proceedings should be made to the press by any of those present.

Mr. Wilson suggested that it might be well to bear in mind that other delegations might be brought into the discussion at some point.

The President said that he had invited to the present meeting the representatives of the four Powers who had conducted the conversations which had led up to the proposals of the 14th October. He thought it better for the moment to confine discussion to those same Powers, upon whom a heavy responsibility rested. If any other delegations were invited, all would have to be invited. It would be necessary to decide at the next meeting whether or not a meeting of the Bureau should be held. As the programme now stood, it would be necessary to meet on the 4th December to open the second reading of the Draft Convention in the General Commission in the presence of the press. He had not yet made up his mind whether we were yet ready to do any such thing.

<sup>2</sup> See *Foreign Relations of the United States, 1933*, vol. 1, p. 277.

No. 65

*United Kingdom Delegate (Geneva) to Foreign Office (Received November 23)*  
*No. 261 [W 13398/40/98]*

GENEVA, November 22, 1933

The United Kingdom delegate to the League of Nations presents his compliments, and has the honour to transmit copies of a record of a meeting with Mr. Henderson on the 20th November respecting disarmament, of which a copy has been sent to His Majesty's Ambassador at Paris.

ENCLOSURE IN NO. 65

*Record of Meeting held at the Secretary-General's House at 3.30 p.m. on*  
*Monday, November 20, 1933.<sup>1</sup>*

Present:

*Officers of the Conference.*

Mr. Henderson (accompanied by Mr. Zilliacus).  
Dr. Benes (accompanied by M. Heidrich).  
M. Aghnides.

The Secretary-General.

*Great Britain.*

Sir John Simon.  
Mr. Eden.  
Mr. Strang.

*Italy.*

Marquis di Soragna.

*France.*

M. Paul-Boncour.  
M. Massigli.

*United States of America.*

Mr. Hugh Wilson.  
Mr. Mayer.

The President said that he had been reflecting on the situation and had come to the conclusion that it would be necessary to reconsider the procedure adopted by the Bureau on the 11th November. The question to be answered was still the one which he had put several times before, namely, what was our attitude to Germany's withdrawal? He was not sure that, if Germany's absence were allowed to harden into an *impasse* for the Conference and the League, they might not all come to regret having allowed this to come about. If the object was to produce a convention which Germany could sign, was not the right policy to try to make it easier for Germany to sign, and was not the best way to do this to try to induce her to participate in building up the convention? It might be possible to take steps within the ambit of the Disarmament Conference and not outside the League in order to achieve this

<sup>1</sup> This record was made by the British representatives for the use of His Majesty's Government.

object. His whole purpose was to strengthen the League and to increase its prestige. An effort should be made to bring Germany to a better frame of mind. He had certainly approved the decision taken ten days ago, but he now thought that if we went on as we were now doing the work of the committees would not make it easier for Germany to return. The questions to be answered were therefore: Was there to be a suspension for the time being? To whom should be delegated the task of negotiation? Was the Bureau to be informed of this conclusion? Was the Bureau to inform the General Commission of the adjournment and of the reason for it?

Mr. Wilson said that he was now in a position to say that the remarks that he made yesterday had been approved by his Government. In expressing those views he had been anxious not to bring influence to bear upon Governments who had graver decisions to take than had his own.

Signor Soragna also stated that the remarks he had made had been fully approved by his Government.

M. Paul-Boncour said he thought that a halt in the work of the Conference and a rupture in the work of the committees and *rapporteurs* would have a bad effect on public opinion, which would not understand why a procedure which concerned over fifty nations should be abandoned because one of them had left. Germany's signature was, of course, necessary and everything should be done consistent with dignity to obtain her participation. He did not see why the Conference should not proceed with its work with calm and dignity, every effort being made in the meantime to persuade Germany to come back. The President's suggestion would not facilitate the return of Germany. Germany had left for reasons of substance, namely, because she disagreed with some of the solutions which had emerged from the discussions. It might well be that some nations might disagree with the proposal to change the procedure and might object to the acquisition of a privileged position by Germany by the mere fact of her withdrawal. The League was too ready to accord a privileged position to States which withdrew.

There was another argument which affected all the neighbours of Germany. During the whole course of the discussion the rhythm of German rearmament had accelerated. The more Germany rearmed, the less interest she would have in returning to the Conference, since the equality she desired would be achieved in fact.

His conclusion was to continue negotiations without undue haste, drawing Germany's attention to them, but carefully refraining from giving the impression that the whole fate of the Conference depended upon Germany. Such an impression had been given once before and the result had been unfortunate. If this happened again, the result would be disastrous.

Sir John Simon agreed that it would be wrong to accord a preferential position to Germany. He also agreed that time was not on our side but was running against us. It would be a grave error if the suspension were to be decided upon without due cause, merely in the face of difficulties. He fully understood the preoccupation of the French Government, but there were

certain practical considerations to be borne in mind. Was it expected that on the 4th December, that is, a fortnight from now, the General Commission would be able to meet with profit to undertake the next stage in the negotiation of the convention? Surely they would not be proceeding like practical men if they acted on that assumption. Some alternative course must therefore be found. If the plan now contemplated was pure and simple adjournment in the hope of something turning up, he would be violently opposed to it. As M. Paul-Boncour had rightly said, it was not merely a question of choosing the best course, but of putting it in the best light to public opinion. But the proposal was not for a simple adjournment. The proposal was for parallel and supplementary work without delay through diplomatic channels in contact with and as far as might be in co-operation with the President and the officers of the Conference. These methods might not succeed, but they were pertinent and relevant methods in the present situation. They all owed it not only to the League of Nations and to the Disarmament Conference, but to the President himself, to make every effort to bring the Conference to a not too unsatisfactory conclusion. It was therefore necessary like practical people to face the situation, and he would ask the President and the officers whether they could not suggest measures which would amount not to the abandonment but to a modification of the programme, and which would mean the pursuit without haste, but without rest, of parallel and supplementary methods preparatory to the next stage, which would have to be conducted at Geneva. He would explain to M. Paul-Boncour that, when he spoke of the negotiations, he did not mean negotiations with Germany alone. It would be wrong to run after Germany. He meant negotiations between any two or more of the Powers concerned.

M. Paul-Boncour said he quite understood this, and also wished to make it plain that when he spoke of negotiations he did not exclude discussions with Germany.

At this point discussions were suspended, and Sir John Simon drafted an outline of a resolution to be adopted at an early meeting of the Bureau. After private discussion of this draft, it was agreed that a drafting committee should put this draft into final shape this evening and that it should be adopted at a further meeting tomorrow of the representatives of the four Powers. It was also decided to call a meeting of the Bureau on Wednesday afternoon, the 22nd November.

Some argument took place as to whether or not it would be necessary to call a meeting of the General Commission also, to be held after the meeting of the Bureau on the 22nd November. It was considered that, on the whole, it would be better not to do so.

The President said that his proposal would be not to call a meeting of the General Commission on the 4th December, but to await the results of the efforts of the Powers, and to then convoke the Bureau and eventually the General Commission.

No. 66

*United Kingdom Delegate (Geneva) to Foreign Office (Received November 23)*  
*No. 262 [W 13399/40/98]*

GENEVA, November 22, 1933

The United Kingdom delegate to the League of Nations presents his compliments, and has the honour to transmit copies of a record of meetings with Mr. Henderson on the 21st November, respecting disarmament, of which a copy has been sent to His Majesty's Ambassador at Paris.

ENCLOSURE IN NO. 66

*Record of Meetings held at the Secretary-General's House at 12 noon and 5 p.m. on*  
*Tuesday, November 21, 1933<sup>1</sup>*

Present:

*Officers of the Conference.*

Mr. Henderson (accompanied by Mr. Zilliacus).  
Dr. Benes (accompanied by M. Heidrich).  
M. Agnides.

The Secretary-General.

*Great Britain.*

Mr. Eden.  
Mr. Strang.

*Italy.*

Marquis di Soragna.

*France.*

M. Paul-Boncour.  
M. Massigli.

*United States of America.*

Mr. Hugh Wilson.  
Mr. Mayer.

The President submitted to the meeting the draft of a statement to be made by him to the Bureau, based upon the text approved by the Drafting Committee the day before. A copy of this statement is annexed.

M. Paul-Boncour said that he could agree to this statement except for the last sentence, which was in contradiction with the view repeatedly expressed by the French delegation. It was, in his opinion, essential that the committees should continue their work, if only because the work they were doing would have to be done sooner or later.

The President explained that he had chosen the words of the last sentence for two reasons: firstly, because the Drafting Committee's draft had placed too heavy a responsibility upon himself (this draft read: 'That the President, after consulting the officers of the Conference, shall advise how far the work of the *rapporteurs* and committees shall be carried on in the meantime'); and

<sup>1</sup> This record was made by the British representatives for the use of His Majesty's Government.

secondly, because there might be overlapping if the committees went on working while parallel and supplementary diplomatic action was in progress.

M. Paul-Boncour said that his main objection to Mr. Henderson's draft was that it placed not merely the activities but the very existence of the committees in doubt. If it was the Bureau which was to settle future procedure, he would reserve his right to repeat his views before the Bureau.

The President said he could not accept the suggestion that he had come down definitely against the French view, and he thought it was a pity that there should be any threat of starting a controversy in the Bureau.

Mr. Eden said that the task before them was to resolve differences in the committee, and to avoid having to transfer them to the Bureau. There was no doubt that the committees were treading upon dangerous ground. He would throw out the suggestion that perhaps the *rapporteurs* of the two committees should be asked to draft articles rather than that the committees should continue to meet. He still, however, thought the best solution was to ask the President, in consultation with his officers, to accept the responsibility for deciding how the committees should proceed. It was important, above all, to avoid an open discussion in the Bureau, which would be harmful to the future of the Conference.

Mr. Wilson said he thought that the Drafting Committee's text was wisely drawn, and though he was reluctant to place so heavy a responsibility upon the President, he felt that this was the best solution.

Signor di Soragna said he had accepted the Drafting Committee's text as a possible way out, but if there was to be a discussion in the Bureau he might have to confirm with all clarity the negative point of view already expressed by him in regard to the appointment of the committees and *rapporteurs*.

Dr. Benes said there were two points: Was the existing difference of opinion to be resolved in the present committee or at the Bureau? It was obviously better to resolve it here. Again, the President's statement would undoubtedly represent a marked relinquishment of action on the part of the Conference. How was this relinquishment to be expressed in order to make it clear to public opinion that a certain parallelism was still to be maintained, and that this was not the end of the Conference?

After some discussion of alternative formulae, the President said that if there was a unanimous desire to adopt the Drafting Committee's text, he would accept it, although the responsibility which it placed upon him was a heavy one.

M. Paul-Boncour said that if this text were adopted, the effect upon public opinion would be exactly what he feared. He regretted that he must insist upon his point of view.

The meeting then adjourned until 5 p.m., Dr. Benes being charged to seek a formula acceptable to both the French and Italian delegations.

On resumption, the President submitted to the meeting two alternative

new formulae (which it is unnecessary to reproduce), together with the original Drafting Committee's text.

The President suggested that if none of these was acceptable, all reference to the question of the continuation of the work of the committees should be omitted from his statement. In that event, if any question arose in the Bureau, he would say that, in accordance with the usual practice, he would consult with the presidents of the committees as to future procedure.

M. Paul-Boncour said that the point of substance was whether the committees would continue to work or not. This was a point about which there would probably be questions in the Bureau. It would not be settled if the President made no reference to it. On this issue, which was one of substance, he would have to make his opinion clear in the Bureau.

Signor di Soragna said that he had already made his position clear. It was not for him to accept one text or another. The statement would, after all, be the President's own statement, and according to what it contained, so he would guide his action in the Bureau.

The President pointed out that his draft statement had been based on a decision taken at the meeting the day before and embodied the draft of the Drafting Committee. He thought the meeting was wasting time on details and forgetting the big issues; in particular, what was to be the nature of the parallel and supplementary diplomatic action, and who was to take the lead therein?

Mr. Eden said that he was quite ready either to accept the Drafting Committee's draft, or to omit all reference. He did not quite agree with M. Paul-Boncour in thinking that public opinion would mind very much whether the committees went on or not. He doubted whether they were doing useful work, but he was prepared to leave the question of their further activity to the decision of the President and officers.

Signor di Soragna said that he was almost certain his Government would approve if he agreed to omit all mention of this point. In that event, if questions were raised in the Bureau, he might have to restate his case, but he would confine his remarks to the minimum.

M. Paul-Boncour said that he had been definitely instructed to obtain a continuation of the work of the committees. He did not mind what formula was adopted so long as the substance was there, namely, that there should be no interruption of their work.

The President said that the question whether the Conference was going on or not simply did not arise. Whatever happened, he was going to stay in Geneva as *rapporteur* on the subject remitted to him (i.e., Guarantees of Execution), and he expected people to remain here to deal with the subject. If not, he would leave Geneva and make it plain why he had done so. Nor was there any intention of shutting down the committees at once. He was prepared to ask them to reduce the number of meetings and to carry on for

two or perhaps three weeks. They would then adjourn and would not reassemble until after the Christmas holidays.

M. Paul-Boncour said that if this was the interpretation to be given to the President's statement to the Bureau, he could accept it, but questions would certainly be asked in the Bureau and it was essential that the President should be authorised to give that interpretation. If not, he would certainly have to state his case himself.

(It was then agreed that, in this event, it would be desirable for the Drafting Committee's formula to read as follows:

*'That the President, in consultation with the officers and the chairmen of the committees, should advise how far the work of the committees should be carried on in the meantime.'*)

Signor di Soragna objected that when he agreed to the Drafting Committee's draft he had placed himself in the hands of the President, who was to be a free agent. The intention now apparently was to bind the President to act in a certain way. He himself would never have asked for an undertaking from the President that the committees would at once cease their work. The President was now apparently to undertake that they should continue.

The President then said he could see no alternative but to let M. Paul-Boncour and Signor di Soragna state their respective cases in the Bureau. This would give him an occasion for saying that he had come to the end of his patience, and that there was nothing for him to do but to go home with his patience exhausted and his heart nearly broken.

Signor di Soragna said he was touched by the President's appeal, but begged him to understand that all he had asked for was a neutral formula which left the decision in the President's hands. He had no desire to speak in the Bureau, but would have to do so if any attempt was made to tie the President's hands, repeating what he had said ten days ago.

The President said the position had changed in the last ten days, in that a vital decision had been taken to institute diplomatic action parallel with the work of the Conference. This was the first step towards filling the vacant chair about which Signor di Soragna had expressed such anxiety.

Signor di Soragna agreed, but added that the very fact that there were to be diplomatic negotiations made it certain that there would be overlapping if the committees continued.

Mr. Eden said that it seemed to him that the issue was not really a big one, and would not turn the world upside down. Though this was so, unity in the Bureau was of the first importance. He begged that every effort should be made to secure it before the meeting the next day. He suggested that the Drafting Committee's text, as slightly modified, should be accepted in the hope that their colleagues in the Bureau would not be inquisitive as to what it meant, and that if they did ask questions the consequences would not be so serious as was feared. He was prepared to place his confidence in the President.



M. Paul-Boncour said that he could not agree to anything that was contrary to his thought.

The President said that he would therefore incorporate the revised version of the Drafting Committee's text in his statement. If any delegation wished to make observations in the Bureau, let them do so. He would deal with such observations as he thought best.

The question then arose whether or not it was necessary to call the General Commission to ratify the Bureau's decision.

The President said that he had given much thought to this question. He agreed that he had power, in consultation with the Bureau, to postpone the meeting of the General Commission fixed for the 4th December; but the issue was not a simple postponement. The Bureau were being asked to make an entirely new departure, namely, to transfer the initiative in the matter of disarmament to diplomatic action. Could such a decision be taken without the approval of the General Commission?

M. Paul-Boncour said he thought the President had too many scruples. Diplomatic negotiations would go on whatever the Bureau did, and who was to say that there had been interruption in the work of the Conference?

The President suggested that if the Bureau came to a unanimous decision on the point, it would be unnecessary to call the General Commission, but if there was no unanimity the General Commission would have to be called.

It was accordingly agreed to replace the penultimate paragraph of the President's draft statement as follows:—

'If this postponement were agreed to by the Bureau it would not seem necessary to convoke the General Commission for confirmation, as the General Commission had agreed on the 26th October that if it was found impossible to distribute the new text in time the President would consult the Bureau as to the advisability of further postponing the meeting of the Commission.'

#### ANNEX

I have to report that, being very much concerned with the present position of the Conference, I invited into consultation the representatives of France, Italy, the United Kingdom, the United States and the officers of the Bureau. A full examination of the situation was made in which the difficulties and dangers were considered. There was a unanimous opinion expressed that a supreme effort should be made to conclude a convention, and different methods were explored with a view to achieving this object. No decisions were taken, as it was fully appreciated that this function rested only with the Bureau or the General Commission.

It was suggested that under present circumstances it was inadvisable for the President to convoke the General Commission for the 4th December, as it has to be remembered that the work of the Commission when it met would be the second reading of the Draft Convention. It was recognised that the

existing divergences on several important political questions were too great to encourage any hope of a successful issue from a discussion in the General Commission. In consequence of this position, it was suggested that the Bureau should consider the advisability of agreeing to a postponement of the General Commission until at or immediately after the January meeting of the Council of the League of Nations, and at such a date as the President, in consultation with the officers, considers best for the purpose.

If this postponement were agreed to by the Bureau, it would have to decide if it were necessary to convoke the General Commission for the purpose of fixing its own adjournment.

The Bureau must also consider what methods should be followed with a view to making progress on important questions not yet agreed upon. It has been suggested that the work of the Disarmament Conference would at this stage best be assisted by parallel and supplementary efforts between various States and the full use of diplomatic machinery. The hope has been expressed that these efforts shall be at once undertaken with energy, with a view to advancing in every way possible the work which lies before the General Commission. It has also been suggested that Governments should keep the President informed of their efforts and that they should report to him on the final results of those efforts. In order to avoid overlapping, it should be considered whether the decision of the last meeting of the Bureau to appoint committees on effectives and supervision and to entrust several questions to *rapporteurs* should for the moment be continued.

#### No. 67

*Sir E. Phipps (Berlin) to Sir J. Simon (Received November 24)*

*No. 1168 [W 13408/40/98]*

BERLIN, *November 22, 1933*

Sir,

As reported by telegraph,<sup>1</sup> I have the honour to acquaint you that I met, the night before last, the Reichswehr Minister at dinner.

2. After dinner General von Blomberg spoke to me with considerable frankness. He began by asking what I thought of the offer made to me by the Chancellor on the 24th October (see my telegram No. 232<sup>2</sup> of that date). Did I not think it a highly reasonable one? Being unaware of the views of His Majesty's Government on the subject, I merely replied that its great drawback seemed to me to be that it implied German rearmament rather than an offer for disarmament. Bearing in mind Sir Eric Drummond's report of his conversation with the German Ambassador in Rome, as given in his telegram No. 335<sup>3</sup> of the 17th November, I asked whether Germany would not prefer the latter.

<sup>1</sup> Berlin telegram No. 265, not printed.

<sup>2</sup> See Volume V of this Series, No. 485.

<sup>3</sup> No. 47.

3. General von Blomberg smiled and replied that she certainly would, but that, although England had perhaps disarmed more than was strictly necessary, both the Chancellor and he were firmly convinced that France had no intention of disarming. Moreover, real disarmament would mean that 40 million French would be confronted by 63 million Germans, and to this he considered that it was impossible to ask the French to agree.

4. A rumour having reached me that General Göring, during his recent visit to Rome, had informed Signor Mussolini that Germany would require guns of at least 210 mm., I enquired of General von Blomberg what would be the heaviest guns that she would require. He unhesitatingly replied that she would not ask for any guns of over 155 mm. The Chancellor would in the last resort, moreover, be prepared to accept a system of general supervision, although he did not believe in its efficacy; he would prefer that a number of French officers, say 100 or 200, should be attached permanently to various regiments in the German army, and *vice versa*. General von Blomberg said that he had made all these proposals to General Weygand at the time of the Daladier Ministry, and seemed convinced that the latter had been overthrown by the French Socialists because they thought M. Daladier was inclined to accept those proposals as a basis for discussion. Both the Chancellor and General von Blomberg himself felt that no arrangement with France would be possible until the formation there of a really strong Government, such as a Tardieu-Daladier combination; the present Sarraut Government was far too weak to conclude any reasonable agreement. If M. Herriot were to come to power it would be disastrous, for he would be hypnotised by the desire to bring about a Franco-Russian alliance, which would constitute a grave danger to peace.

5. General von Blomberg said that he had tried in vain to elicit from the French what they meant by 'security'. To give it them the Germans would, he told me, be prepared to agree even to the Anglo-French defensive alliance advocated by Lord Rothermere, provided it comprised no secret clauses directed against Germany, and there they felt that they could trust England. Hitler had remarked to him recently that to inspire such fear showed that Germany had fought too well in the war.

6. It having been reported to me that the German Government were toying with the idea of evading the stipulations of the Locarno treaties, I then remarked that, in my opinion, the maintenance of those treaties would be an essential condition to any arrangement of the nature suggested. General von Blomberg declared that the Germans did not dream of trying to wriggle out of Locarno, although the demilitarisation of the Rhineland was a great hardship for Germany, nearly 20 million Germans being left in those regions without any military defence. This remark shows, I think, that Germany will, sooner or later, try to free herself from those bonds also, as constituting an infringement of her famous 'Gleichberechtigung'. I hear, moreover, that Dr. Gaus, the legal adviser of the German Ministry for Foreign Affairs, is quite prepared to argue with equal vigour and conviction either (1) that Germany, on leaving the League of Nations, is freed from the

trammels of Locarno, or (2) that Locarno remains intact despite Germany's departure from the League.

7. General von Blomberg then assured me in the most positive manner that Germany would never again contemplate building a fleet against England; she would merely require a few small submarines for defensive purposes, and a few battleships of over 10,000 tons, that limit being unpractical for the purpose. A small but highly efficient fleet was what Germany required, sufficient to throw into the scales in whatever group of Powers she might wish to join; to constitute, in fact, so I gather, a bargaining asset for Germany's collaboration in the future.

8. In conclusion, General von Blomberg declared that he would at any time be ready to go to Paris to discuss matters there with General Weygand, and he added that he would be only too happy to converse with me and to give me any further details that might be required.

9. I am sending copies of this despatch to His Majesty's Ambassadors at Paris and Rome.

I have, &c.,  
ERIC PHIPPS

## CHAPTER II

Divergence of views between the British and French Governments with regard to policy towards German demands for rearmament: Sir E. Phipps's instructions of December 7 to communicate British views to Herr Hitler

(November 23–December 11, 1933)

No. 68

*Sir E. Drummond (Rome) to Sir J. Simon (Received November 23, 1.25 p.m.)*

*No. 348 Telegraphic [W 13391/40/98]*

ROME, November 23, 1933, 12.45 p.m.

French Ambassador has given me an account of his interview with Signor Mussolini on November 18. A good deal of what Signor Mussolini said reflects and confirms Baron Aloisi's recent conversation with me (see my telegram No. 345).<sup>1</sup> As regards future of disarmament, Signor Mussolini made *inter alia* the following observations:—

(1) In his view no considerable reduction of armaments was feasible at the present moment. *He could not ask France to reduce her army in present conditions*, but something might be done by limiting various arms and armaments to their present strength, by abolishing chemical and gas warfare, by budgetary control and by general system of supervision.

(2) Germany should be allowed to convert her Reichswehr into an army of 200,000 men on a short-term basis. She was asking for 300,000 men but Duce considered that this was excessive and (? frivolous).<sup>2</sup>

(3) Ambassador and Signor Mussolini had discussed the question of arms to be allotted to new German forces and had agreed that some arrangement might be come to by which these forces should gradually be granted certain weapons forbidden to Germany by Treaty of Versailles—but only by cumulative instalments and at lengthy intervals.

Full report by despatch.<sup>3</sup>

Repeated to Berlin.

<sup>1</sup> No. 62.

<sup>2</sup> The text is here uncertain. According to No. 71 the word should probably be 'dangerous'.

<sup>3</sup> See No. 71.

No. 69

*Sir E. Phipps (Berlin) to Sir J. Simon (Received November 25)*

*No. 93 Saving: Telegraphic [C 10320/245/18]*

BERLIN, November 23, 1933

French Ambassador read out to me a long report that he is sending to Paris tonight. Gist is as follows:—

Germans intend to rearm up to a certain point and French Government have therefore three alternatives.

(1) To try and induce Great Britain (here I smiled), Belgium, Little Entente and Poland to join in economic sanctions against Germany, (2) to proceed alone to take certain sanctions and (3) to agree to negotiate with Germany on basis of proposals made to me by the Chancellor; but insisting on strict supervision and satisfactory agreements regarding Austria and various other burning questions.

French Ambassador who is a sensible man, needless to say strongly favours (3); but he is getting impatient with his very weak Government and hopes to make them face facts.

Repeated to Rome.

No. 70

*Minute by Mr. Eden*

*[W 13612/40/98]*

FOREIGN OFFICE, November 23, 1933

Dr. Benes asked me to dine with him alone last night, before my departure from Geneva, for a 'discussion approfondie' of the international situation. This exchange of views resolved itself in the main into a monologue by Dr. Benes of two and a half hours' duration. The summary that follows can only hope to give the barest outline of its nature.

It was not the future of disarmament alone which was troubling Dr. Benes; the whole future of the League of Nations was at issue. We might succeed in saving the Disarmament Conference, but Germany would not then return to the League. Her objective was a revision of the Treaty of Versailles at all points. Disarmament was only the first objective. She could only be dissuaded from pursuing her later objectives if confronted with firm Anglo-French agreement.

I asked Dr. Benes what, in his view, would be the effect of a difficult winter economically upon the position of the German Chancellor. Dr. Benes replied that it was difficult to estimate the life of the Hitler régime. One thing, however, was certain, dictators had no successors. He considered that battle was now joined for and against the League of Nations. If Great Britain could on every suitable occasion reaffirm her determination to support the League of Nations, this would have a profound effect, not only upon Hitler, but also upon Mussolini. It was unfortunate, perhaps, that some of our lead-

ing statesmen seemed to feel coolly towards the League. Perhaps it was because they were impatient, and naturally so at times, of the attitude of the smaller Powers. He was afraid that this aspect of League work would have to be endured, but he did not think it really important in relation to the far greater significance of the League itself.

He did not himself believe that Mussolini had any natural liking for the League of Nations. Hitler's objective was, of course, to destroy it. It was, indeed, difficult to reconcile the conception of dictatorship with the League. Those who suppressed their domestic Parliaments could not be expected to feel indulgent towards international Parliaments. Mr. Baldwin had been absolutely right in his judgment that no man had the qualifications for a dictatorship in a modern State of people who knew what freedom meant. Mussolini, despite his great abilities, was shut up in his ivory tower breathing in an incense of idolatry. Scarcely ever did he have contact with other peoples. Czechoslovakia had found it easy to get on with democratic Italy. It was infinitely more difficult, few people knew how difficult, with a dictatorship.

I reminded Dr. Benes that he himself had been a virtual dictator of Czech foreign policy for the last fifteen years. He would not admit the parallel. 'The real dictator', he replied, 'sits in a three-legged armchair imperiously but precariously balanced. One day a leg will break. I sit on the floor—I have no way to fall.'

Mussolini was, of course, a man of altogether different calibre from Hitler. He would not be so foolish as to leave the League in such fashion; but he might stay while asking us to pay a continually higher price for his presence there.

Mussolini and Hitler had certain conceptions in common. The régime of both of them rested upon three pillars—anti-democracy, nationalism, domestic industrial economy. Their dislike of democracy required no comment, but it would be idle to deny how much each of these men had achieved in the creation of a national sentiment in their countries. Before Mussolini's advent there were in truth no Italians, only Lombards, Neapolitans and Sicilians. Whereas the French revolution culminated 150 years ago, and our national sentiment was even older, Italy's national revolution was only completed with the triumph of Fascism. So in Germany. Hitler had swept away boundaries between States which had persisted, and he was sure that in this respect Hitler's work would endure.

As to industrial economy, as dictators neither men<sup>[sic]</sup> could avoid interfering with industrial disputes, putting a stop to strikes, and so forth. Inevitably they were bound more and more to interfere with the life of their nation's industry. It was impossible to practise these policies within the boundaries of the nation without their repercussion being felt outside. For Englishmen, who lived in an island, it was difficult to appreciate the effect of Hitler's policy upon his neighbours. The friction was constant. For fifteen miles a German railway ran through Czechoslovak territory. Their propaganda was unceasing, and incidents were frequent.

He would like to warn me of two events which might occur in the course of the negotiations upon which we were entering. The days of the Dollfuss régime were, he was convinced, numbered. Dollfuss was, he knew, now negotiating with Germany. His fall was inevitable. He could only have kept going if he had been supported by a real nationalism, and if he could have contrived unity between the Heimwehr and the Socialists. This had proved too much for him, and he now had no choice but to negotiate. The second possible eventuality was the death of Hindenburg, which might now, after all, take place at any time. When that happened, he anticipated that Hitler would become President, and that the last restraining influence would be gone, and we should see a policy of Wilhelm II again. In the face of these events, Czechoslovakia was not nervous. Their minority question was not active. They had German Ministers in their Government, and the neighbourhood of the Nazis had resulted in the nation being more united than at any previous period. Moreover, they were proud of their democracy. He refused to admit that Austria was a Czech problem. It was one that concerned the Great Powers—France, Italy and Great Britain. He was himself opposed to the 'Anschluss', and he had always said so. Czechoslovakia would take no action when the 'Anschluss' came.

We then passed to a discussion of the position of Czechoslovakia and her Hungarian neighbour. I asked Dr. Benes whether it was not possible to do something to improve his relations with Hungary. He replied that this was very difficult. Even if he could give territory, Hungary would not be appeased. He certainly could not give Hungary a single Slovak, for these people were deprived of their racial identity in Hungary. If he were to give Hungary territory, the result would be that Budapest would no longer lie within thirty kilometres of the Czechoslovak border. Since in any war with Germany he must expect Hungary to fall on his back, I would appreciate the significance of those thirty kilometres.

I then said that surely something might be done economically, but I was unable to obtain anything more from Dr. Benes than a vague assurance.

In a reference to the diplomatic negotiations now contemplated, Dr. Benes said that he would be content to see such negotiations between France and Germany; but he would not welcome them, for they could only take place if Anglo-French collaboration had failed, and they must result in rearmament, and not disarmament. Czechoslovakia would wish to see friendship between France and Germany, for that would be a reassurance to herself. He himself had no intention of negotiating with Germany. Approaches had been made to him, but he had rejected them. He had Locarno,<sup>1</sup> he had the League of Nations, he had the Kellogg Pact,<sup>2</sup> he wanted nothing more. Poland, on the other hand, was not in such a strong position. She was frightened on account of the Corridor. Consequently, Poland had been negotiating with Germany, and Dr. Benes did not conceal his disapproval of this. He was informed

<sup>1</sup> The reference is to the German-Czechoslovak Arbitration Treaty of 1925: see *British and Foreign State Papers*, vol. 122, pp. 288-9.

<sup>2</sup> Printed *ibid.*, vol. 128, pp. 447-9.



confidentially that Germany had suggested to Poland, as a solution of the problem of the Corridor, that she should assist the latter to obtain Lithuania, which had an outlet to the sea, while, in return, Poland should cede the Corridor. I said that surely Dr. Benes did not mean that there had been an offer of this kind. He replied: 'Not an official offer, no.' But agents had been feeling the ground for this purpose. I said that surely Poland would not be so foolish as to be tempted into anything of this kind. Dr. Benes said that it would certainly not. He had spoken to Rachinski [*sic*].<sup>3</sup> The suggestion was not perhaps quite so crude as it appeared at first sight, since Pilsudski was himself a Lithuanian, and might therefore be attracted by it. But how, I asked, if Russia knew of such a bargain? Surely she could not tolerate it. Dr. Benes replied that he had spoken to M. Dovgalevsky<sup>4</sup> on the subject, and the latter had made it quite clear that Lithuania was the one country in Eastern Europe, the loss of whose independence Soviet Russia could not contemplate without vigorous action.

In a final return to the future of the Conference, Dr. Benes admitted that he was himself very doubtful of the wisdom of the action we were taking. It might be that, having adjourned, we should never come back. Certainly the chance we were now seizing was the last. We must realise it and work at it with that knowledge. He himself would be ready to co-operate in any way for his part, and would willingly do his best to come to London at any time when His Majesty's Government thought that he could be of service.

A. E.

<sup>3</sup> Count Edward Raczyński, Polish delegate to the League of Nations and the Disarmament Conference.

<sup>4</sup> Soviet Ambassador in Paris and delegate to the Disarmament Conference.

## No. 71

*Sir E. Drummond (Rome) to Sir J. Simon (Received November 29)*

*No. 909 [C 10436/245/18]*

ROME, November 23, 1933

Sir,

I have the honour to inform you, with reference to my telegram No. 348<sup>1</sup> of today's date, that the French Ambassador gave me yesterday an account of his conversation with Signor Mussolini on the 18th November. He told me that he had begun by congratulating the latter on his speech,<sup>2</sup> which represented a brilliant synthesis of ideas. He had added, however, that he had been a little disturbed on two points, namely, the reference to 'great injustices' and to the League of Nations. As to the first point, Italy and France had fought together in the war and had made the peace together. That peace had been largely based on the principle of self-determination, a principle which, he understood, Italy still maintained. As to the League of Nations, here again he felt sure that Signor Mussolini upheld the principle

<sup>1</sup> No. 68.

<sup>2</sup> On November 14. See No. 36, note 1.

of equality of States which had been laid down by so many eminent Italian statesmen and jurists. The Ambassador told Signor Mussolini that he attached great importance to Franco-Italian friendship, and he feared that this passage in his speech could not but have a somewhat disagreeable effect on French public opinion. Signor Mussolini replied (and M. de Chambrun asked me to treat this as absolutely confidential) that the 'great injustices' to which he referred were the war debts. It was true that Italy approved the principle of self-determination, but Signor Mussolini considered that this principle had not been adequately followed in regard to the Hungarian boundaries, since Czechoslovakia had received certain territories which were inhabited by Magyars.

2. Turning to the question of the League of Nations, Signor Mussolini said that he frankly had never been strongly in favour of the League. He admitted the equality of nations, but he objected strongly to the vote of Guatemala carrying as great a weight as that of Great Britain, or of San Salvador as that of Italy. He also did not like the universality of the League. The Ambassador enquired whether he was in favour of a European combination of nations. His Excellency thought this would be a great improvement on the present procedure, and the Ambassador remarked that in that case his and M. Briand's ideas largely coincided. The Ambassador stated that rumours were current that Italy intended to leave the League. Signor Mussolini replied that he could reassure the Ambassador on this point, and that the press campaign would not continue.

3. M. de Chambrun told me that he had explained to the Head of the Government that, in his view, the time had now come for diplomatic negotiations with regard to the armaments problem. Signor Mussolini had accepted this opinion, and, when the Ambassador observed that, of course, the ultimate conclusion of a convention must take place at Geneva, Signor Mussolini said that he entirely agreed, and that it would be a happy day for the League when this occurred. I asked M. de Chambrun if he had any idea on what basis such diplomatic negotiations could be conducted. He replied that here there was some divergence of opinion. He knew that the British Prime Minister desired to revert to the original British Draft Convention, while the French Government wished to maintain the basis of the three-Power arrangement. I asked him what he thought were the possibilities of getting any German agreement to discussion on these lines, since they had, I understood, already rejected them. He told me that Signor Mussolini had said that he did not think that any considerable reduction of armaments was feasible at the present moment. Signor Mussolini could not ask France to reduce her army in present conditions, but something might be done by limiting various arms and armaments to their present strength, by abolishing chemical and gas warfare, by budgetary control and by a general system of supervision. Germany should be allowed to convert her Reichswehr into an army of 200,000 men on a short-term basis. She was asking for 300,000 men, but Signor Mussolini considered this was excessive and dangerous.

4. M. de Chambrun pointed out to me that the difficulty as regards France would be the question of the arms to be allotted to the new German forces. He and Signor Mussolini had discussed this question, and had thought that some arrangement might be come to by which these forces should gradually be given certain weapons which were forbidden to Germany by the Treaty of Versailles, but only by small instalments and at longish intervals.

5. I said to the Ambassador that I had no instructions on the question of diplomatic negotiations, nor with regard to the problem as a whole. The Ambassador replied that he had none either, and therefore what he had said to Signor Mussolini was an expression of his own views, but he did not think that his Government would dissent greatly from them.

6. I informed M. de Chambrun that the conversation I had yesterday<sup>3</sup> with Baron Aloisi reflected and confirmed much of what Signor Mussolini had said to him.

I have, &c.,  
ERIC DRUMMOND

P.S.—I have sent a copy of this despatch to His Majesty's Ambassador at Paris.

E. D.

<sup>3</sup> The reference seems to be to the conversation of November 21 reported in No. 62.

## No. 72

*Sir E. Drummond (Rome) to Sir. J. Simon (Received November 25, 3.20 p.m.)*  
*No. 353 A. Telegraphic [C 10322/245/18]*

ROME, November 25, 1933, 2.15 p.m.

M. Avenol<sup>1</sup> told me this morning that Signor Mussolini had explained to him his views on affairs. These were substantially the same as I have already reported but Signor Mussolini had added [that] Poland and perhaps Little Entente should be included in conversations before final reference back to Geneva. Signor Mussolini observed that his views as to Disarmament Convention being concluded at Geneva show that he had no intention of abandoning the League.

In a later conversation with Baron Aloisi M. Avenol told me he had suggested diplomatic conversations should be centred here; that possibly M. Massigli might come with M. de Chambrun and that I personally knew question well. I am somewhat upset at this suggestion, which of course pleased Baron Aloisi, as I had no inkling and have no information as to intentions of His Majesty's Government. M. Avenol remarked that he thought this better than direct conversations between Berlin and Paris, though these might be desirable later. It would however be unwise to press for such conversations in the present circumstances. M. Avenol believed

<sup>1</sup> Secretary-General of the League of Nations.

French General Staff and Comité des Forges would be willing to accept proposals on lines indicated by Signor Mussolini.

Repeated to Paris and Berlin.

### No. 73

*Sir E. Drummond (Rome) to Sir J. Simon (Received November 25, 8.0 p.m.)*

*No. 354 Telegraphic [C 10323/245/18]*

ROME, November 25, 1933, 7.35 p.m.

My immediately preceding telegram<sup>1</sup> second sentence.

Please add Russia and United States to countries mentioned by Signor Mussolini as parties to conversations. M. Avenol made however no mention of Japan.

Repeated to Berlin and Paris.

<sup>1</sup> No. 72.

### No. 74

*Sir J. Simon to Lord Tyrrell (Paris)*

*No. 228 Telegraphic [C 10328/245/18]*

FOREIGN OFFICE, November 25, 1933, 10.30 p.m.

1. The resignation of M. Sarraut's administration<sup>1</sup> makes it difficult to consult effectively with the French Government for the moment, but I should like you to tell the Quai d'Orsay at once that we are informing the German Government that we are taking note of the suggestions made by Herr Hitler, which were communicated semi-officially to the French Ambassador in Berlin. (See Sir E. Phipps' telegram of November 10, No. 258<sup>2</sup>). We, of course, have pronounced no judgment upon them and should not do so without consulting the French Government. We agree with the comment of the French Ambassador in Berlin that the suggestions appear to involve some rearmament and that a secure basis for agreement will best be provided by political appeasement.

2. I shall be glad to have your own reflections on my telegram No. 230 of today to Berlin,<sup>3</sup> which is being repeated to you, but in view of the danger of leakage and the absence of an effective government in Paris, it does not seem wise to go more into detail with the Quai d'Orsay at the moment.

3. Please note the passage in my speech in Spen Valley,<sup>4</sup> reported on

<sup>1</sup> M. Sarraut's Government resigned on November 24 after a defeat in the Chamber on the Finance Bill. M. Chautemps formed a new Government on November 27. M. Paul-Boncour remained as Minister for Foreign Affairs and M. Daladier as Minister for War.

<sup>2</sup> No. 29.

<sup>3</sup> No. 77.

<sup>4</sup> Sir J. Simon was Member of Parliament for the Spen Valley division of Yorkshire.

page 14 of today's 'The Times', referring to France's devotion to peace and the reality of her anxieties. One reason why we are disposed to encourage direct Franco-German discussion is that the translation of Germany's peaceful assurances into concrete shape between them would do so much to improve the political basis for agreed disarmament.

Repeated to Berlin and Rome.

#### No. 75

*Sir J. Simon to Sir E. Drummond (Rome)*

*No. 384 Telegraphic [C 10322/245/18]*

FOREIGN OFFICE, *November 25, 1933, 10.30 p.m.*

Your telegram No. 353 A.<sup>1</sup>

Please do not encourage idea that diplomatic conversations should centre in Rome. This would be very difficult for others. I stated in House of Commons on Friday<sup>2</sup> that in our view communications at this stage should be largely bilateral. The report of my speech in 'The Times' is full and correct.

Repeated to Paris and Berlin.

<sup>1</sup> No. 72.

<sup>2</sup> November 24. See Parl. Deb., 5th ser., H. of C., vol. 283, cols. 427-40.

#### No. 76

*Sir J. Simon to Sir E. Drummond (Rome)*

*No. 383 Telegraphic [C 10327/245/18]*

FOREIGN OFFICE, *November 25, 1933, 10.55 p.m.*

Your telegrams Nos. 320<sup>1</sup> and 348.<sup>2</sup>

1. Please seek an early convenient opportunity for conversation with Signor Mussolini and tell him how much interested His Majesty's Government have been in his views in regard to the future of work for disarmament, in particular Signor Mussolini's comments on the proposals made to Sir E. Phipps on October 24 and also made by the German Government to the Italian Government. Has Signor Mussolini any further news as to suggested modifications? We shall of course keep Signor Mussolini and the French Government informed of any further suggestions that Sir E. Phipps may receive from the German Government, and should be grateful if His Excellency would similarly keep us informed of any proposals that he receives. We share his view that no time should be lost in using the diplomatic channel for helping on the cause of disarmament.

2. You should tell Italian Government that I am authorising Sir E. Phipps to inform Herr Hitler that we have been taking attentive note of his proposals (see my telegram No. 230 to Berlin<sup>3</sup> repeated to you).

<sup>1</sup> See No. 15.

<sup>2</sup> No. 68.

<sup>3</sup> No. 77.

3. For your personal information, the Italian Ambassador has told me that the Italian position as he sees it could not have been explained more clearly or in a friendlier way than in my speech in the House of Commons yesterday.<sup>4</sup>

Repeated to Berlin and Paris.

<sup>4</sup> See No. 75, note 2.

## No. 77

*Sir J. Simon to Sir E. Phipps (Berlin)*

*No. 230 Telegraphic [C 10328/245/18]*

FOREIGN OFFICE, *November 25, 1933, 11.0 p.m.*

Your telegram No. 265.<sup>1</sup>

1. My speech in the House of Commons on Friday<sup>2</sup> gives a general indication of the attitude of His Majesty's Government to recent feelers from Germany. 'The Times' report is accurate. You should inform the Chancellor and Baron von Neurath that, as they will gather from my speech, we have been taking attentive note of Herr Hitler's communication to you and are giving it careful consideration. Your comment that the suggestion appeared to involve substantial German rearmament was justified and this is an aspect of the matter which gives us much concern. Please call particular attention to my observations concerning German assurances that their only desire is for peace etc. While we value such declarations, we feel that the necessary basis of world confidence, upon which armament regulation must so largely rest, would be greatly strengthened if a way could be found for giving these assurances more concrete shape. It was partly for this reason that we have told the French that if they see their way to respond to suggestions for closer communication with Berlin, they have our complete goodwill in so doing.

2. For your own information: one of our difficulties in dealing more definitely with the German proposal is the doubt whether it should be regarded as a firm offer or at any rate as a defined basis or whether it is merely designed to bring us and others along the road with the intention of then declaring that no agreement is possible unless we go yet further. Your estimate of the real status of these suggestions would be valuable. Moreover, we feel that there is a danger in discussing the various heads of this suggestion without running the risk of being treated as favouring rearmament in principle. Possibly, without incurring this danger, your enquiries may elucidate a few points. For example, is it quite clear that the suggestion of a short-term army of 300,000 men is accompanied by the proposal to abolish the Reichswehr altogether? Is it clear to you that the suggestion to apply a standstill arrangement to the numbers of French, Italian and other armies is only intended to apply to the heavily armed States? Our policy is to bring

<sup>1</sup> Not printed. See No. 62, note 2.

<sup>2</sup> See No. 75, note 2.

about the best Disarmament Convention we can, but if the present level of continental armies continues, the fact that we have already gone so far in unilateral disarmament cannot be left out of account. Rome telegram No. 320<sup>3</sup> of November 8 indicates that Signor Mussolini was hopeful of modifications in the German proposal which would reduce the amount of apparent rearmament involved. Have you heard anything of the possibility of revision along these lines? A re-affirmation that general supervision is part of the plan would be useful.

3. It seems probable that in your forthcoming conversation you will gather Hitler's reaction to the general attitude of His Majesty's Government as stated in my speech on Friday. I should be glad of a prompt reply as we have to collate information from various capitals. Do you know how far the proposal of Franco-German conversations has gone and whether there is anything we can do to assist? We are very much alive to the danger of Franco-German discussions leading to the reverse of disarmament and must exert all our influence to restrain this. But the primary need is Franco-German agreement in such a form as will really secure the inviolability of the frontier between them and so contribute to the security out of which future disarmament may come.

Repeated to Paris and Rome.

<sup>3</sup> See No. 15.

#### No. 78

*Sir E. Drummond (Rome) to Sir J. Simon (Received November 28, 9.30 a.m.)*  
*No. 357 Telegraphic [C 10380/245/18]*

ROME, November 27, 1933, 9.40 p.m.

I made a communication to Signor Mussolini in the sense of your telegram No. 383<sup>1</sup> emphasizing that in present stage His Majesty's Government in the United Kingdom considered that bilateral conversations through diplomatic channels were best method of explaining the ground and co-ordinating proposals. He did not in any way dissent. I explained how anxious His Majesty's Government were to keep in close contact with him and that they would inform him of any suggestions German Government might make to Sir E. Phipps and that they trusted that he would do the same as regards any proposals made to him. This he promised most willingly.

I found however that he had received nothing fresh from the German side since General Göring's visit. He had, he said, asked several times for more precision as he considered Germany's language far too vague. He was, however, unwilling to press again for more detailed information, I think, because he felt that he might be committing himself if he did.

German Ambassador here has now gone to Berlin and Signor Mussolini expects that on his return towards the end of this week he will bring back something more definite.

<sup>1</sup> No. 76.

When I enquired as to possible modifications he had originally indicated to me, he shrugged his shoulders in answer; he stated he could not agree to *status quo* for Italy if Germany were given 300,000 men. Such a number would therefore be an increase in land armies of various nations including Italy and there would be a rise in armaments instead of a limitation or reduction. He held generally by Mr. Ramsay MacDonald's plan with some small rearmament of Germany as regards weapons. He thought perhaps Germany could be induced to abandon her demand for extra 100,000 men by making that increase in weapons somewhat larger.

Meanwhile contact had been begun between France and Germany and if such conversations lead [*sic* ? led] to an agreement which did not hurt Italian or British interests he would welcome it.

But, and he was most emphatic on this point, if a Disarmament Convention was not secured there must be an armaments race and war ultimately result. He therefore attached very greatest importance to efforts now being made.

I trust if Sir E. Phipps obtains any further information from the Chancellor at his forthcoming interview I shall be authorised to import [*sic* ? impart] it to Signor Mussolini.

Repeated to Paris and Berlin.

#### No. 79

*Sir E. Phipps (Berlin) to Sir J. Simon (Received November 28)*

*No. 97 Saving: Telegraphic [C 10370/245/18]*

BERLIN, November 27, 1933

My telegram No. 268<sup>1</sup> of yesterday.

1. The French Ambassador tells me that Herr Hitler began the conversation by expressing himself in violent terms regarding the lies spread and forgeries published by the 'Petit Parisien'.<sup>2</sup> Incidentally M. François-Poncet does not believe that the documents in question were ever seen by Dr. Goebbels himself, but thinks they were drawn up by some subordinate.

2. His Excellency asked the Chancellor what exactly he meant by 'Gleichberechtigung', to which the latter replied that he adhered to the suggestions he had made to me on October 24. M. François-Poncet enquired whether the German Government would not prefer disarmament, to which the reply was in the affirmative, provided, however, that France disarmed approximately down to the German level, and to this Herr Hitler realised that no French Government could possibly consent: nor could Poland or Czechoslovakia agree to any measure of real disarmament. The Powers should, therefore, face facts and agree to his very reasonable proposals.

<sup>1</sup> Not printed. This telegram reported that an account of M. François-Poncet's interview with Herr Hitler on November 24 was on its way by Saving telegram.

<sup>2</sup> The 'Petit Parisien' had recently published the text of some confidential circulars alleged to have been sent by the German Propaganda Ministry to its agents abroad concerning the aims of National Socialist policy.



3. I asked whether M. François-Poncet had tried to extract any more precise data from the Führer; but he said he had not. He was still in ignorance of the views of his Government on the question of *principle*: it would therefore be useless, until that were settled, to discuss details (in fact on the day of his interview he was without a Government): his object, in these circumstances, had been to seek information and not to embark upon negotiation.

4. M. François-Poncet, referring to the 'Matin' interview,<sup>3</sup> asked what Herr Hitler meant by saying that he would subscribe to an Anglo-French defensive alliance. The Chancellor said that he would welcome it if it gave France security; he knew it would never come into play, for Germany would never attack France (cf. General von Blomberg's remarks to me reported in my despatch No. 1168<sup>4</sup> of November 22).

5. The French Ambassador asked whether, as stated by M. Brinon in the 'Matin', Germany would never return to the League, to which the Chancellor replied that she would not return unless the Statute[s] of the League were fundamentally revised.

6. The Chancellor expressed a strong wish that an early agreement should be reached over the Saar, in order to avoid the plebiscite in 1935; not that he had the slightest fear regarding its result, which would be 95 per cent. in favour of a return to Germany; but because that result would be celebrated here as a brilliant victory, with flaggings etc., and would be mourned as a defeat in France, and thus embitter relations between the two countries (cf. Herr von Papen to me, as reported in my despatch No. 1038<sup>5</sup> of October 24). M. François-Poncet objected that a settlement out of court would be regarded by the population of the Saar as an infringement of the right of self-determination accorded to them by the Treaty of Versailles; but Herr Hitler replied that if France and Germany agreed over this question nobody else would object. Moreover, he declared his readiness to meet French wishes to the utmost possible extent over the mines and other economic matters in the Saar. My French colleague thinks the Germans are very anxious to get the Saar back before 1935 in order to be able speedily to eradicate that focus of opposition to National Socialism.

7. M. François-Poncet then asked what the Chancellor's views were about Austria, to which the reply was that they had not changed: that German race must be allowed the right of self-determination: (this of course means that Austria must eventually be 'gleichgeschaltet').

8. Finally the French Ambassador enquired what Germany felt about Locarno. Herr Hitler replied with great emphasis that that was a Treaty freely signed and she considered herself bound thereby.

9. My French colleague thinks that Herr Hitler means if possible to reach a comprehensive agreement with Poland, including even the 'Corridor' and

<sup>3</sup> The reference is to an account, published in the 'Matin' of November 22, of an interview given by Herr Hitler to M. de Brinon in Berlin on November 16.

<sup>4</sup> No. 67.

<sup>5</sup> See Volume V of this Series, No. 490.

Silesian questions, and that this can only be done at the expense of Russia and the Baltic States (cf. Herr Hitler's remark to me, reported in paragraph 5 of my despatch No. 1037<sup>6</sup> of October 24, about seeking certain possibilities of expansion in Eastern Europe). His impression is, moreover, that if Russia, now in a relatively favourable position, embarked upon a war with Japan, the Germans might seize the opportunity to jump on her, but he admits that here we are in the realm of mere speculation.

Repeated to Rome.

<sup>6</sup> See *ibid.*, No. 489.

## No. 80

*Sir E. Phipps (Berlin) to Sir J. Simon (Received November 28)*

*No. 98 Saving: Telegraphic [C 10365/245/18]*

BERLIN, November 27, 1933

Your telegram No. 230<sup>1</sup> of November 25.

The Chancellor is away till Wednesday afternoon<sup>2</sup> but meanwhile I see Baron von Neurath this afternoon.

Meanwhile I propose to deal with certain points in your telegram under reference.

1. The German proposal has now been made successively to the American Ambassador, myself, Signor Mussolini and the French Ambassador. It can therefore, so far as it goes, be regarded as a firm offer. To be acceptable to France (to mention only her), however, it will have to be (a) reduced as regards numbers, etc. and (b) expanded by certain German undertakings, e.g. regarding Austria and future disbandment of the S.A. and S.S. These demands will undoubtedly lead to counter-demands on the part of Germany, who will thus try to bring us all along the road, and would, of course, in the event of disagreement, seek to blame anyone except herself.

2. I thoroughly realise the danger that in discussing details now we should run the risk of being made to appear to accept rearmament in principle. I propose, therefore, to be excessively prudent during my interview with Herr Hitler and to let him do most of the talking (my task here should be a relatively easy one). Moreover, I can, without questioning him, reply at once to your enquiries:—

(a) It is quite clear both to myself and to the French Ambassador that the suggestion of a short-term army of 300,000 men implies the total abolition of the Reichswehr.

(b) It is clear to me that the standstill arrangement to the numbers of the French, Polish and other armies only applies to the 'heavily armed States' and not to England (see my despatch No. 1168<sup>3</sup> of November 22 reporting General von Blomberg's remark to me that England had disarmed more than was strictly necessary, and my accounts of my original interview with the Chancellor, who then specifically referred to the 'highly armed States').

<sup>1</sup> No. 77.

<sup>2</sup> November 29.

<sup>3</sup> No. 67.

(c) I agree with Signor Mussolini that the German proposal is susceptible of reduction. The Germans always 'demandent un bœuf pour avoir un œuf', as was remarked in Paris during the famous 'bec de canard' negotiations over the Congo.<sup>4</sup> Of course, however, they would not give any indication of their readiness to reduce their demands until the negotiations develop.

(d) An account of the French Ambassador's conversation with Herr Hitler on the 25th instant is given in my immediately preceding Saving telegram;<sup>5</sup> I do not think there is anything that we can do at present to assist any Franco-German *tête-à-tête* that may take place now the new French Cabinet, a presumably transient and embarrassed phantom, has been formed. There seems little likelihood of any fruitful results arising from such conversations. M. Chautemps will probably be under the influence of M. Herriot who is, I believe, inclined to insist on a strict juridical execution of the Treaty, the time for which seems to have passed. The French Government, moreover, are likely to be more embarrassed than ever by absurd reports from their Minister at Munich stating that the Hitler régime is tottering to its fall. On the other hand, to embark upon detailed and uncoordinated bilateral discussions presents certain obvious dangers, by enabling the Germans to play off one Power against the other, and by rendering it difficult to pin them down to definite undertakings. In my opinion, therefore, it would seem desirable soon to initiate conversations in one capital. In this connexion it would seem that Mussolini, when all is said and done, and despite his occasional attitude of affected detachment, is more interested than anyone else in resisting German pressure—a pressure, which if allowed to go unchecked might well reach Trieste in a not so very distant future.

Repeated to Rome.

<sup>4</sup> In 1911.

<sup>5</sup> No. 79.

## No. 81

*Sir E. Phipps (Berlin) to Sir J. Simon (Received November 28)*

*No. 99 Saving: Telegraphic [C 10366/245/18]*

BERLIN, November 27, 1933

M. François-Poncet yesterday read me out a telegram recently received from the French Ambassador at Washington stating that he had heard from Mr. Norman Davis that Mr. Roosevelt would support any plan for disarmament agreed upon by France and England; but opposed any form of German rearmament.

M. Laboulaye stated in another telegram that he had had a long conversation with M. Litvinov,<sup>1</sup> who strongly deprecated any such rearmament which would greatly increase Herr Hitler's prestige and consolidate the Nazi régime in Germany.

<sup>1</sup> M. Litvinov arrived in Washington on November 7 for negotiations concerning the recognition of the Soviet Government by the United States Government. President Roosevelt's decision to establish normal diplomatic relations was announced on November 17.

It would be interesting to learn what sanctions the United States of America and the U.S.S.R. would agree upon to prevent that rearmament which they so sternly condemn.

In view of the notorious disinclination of any Power to embark on sanctions the only alternatives that I can see are the controlled or the uncontrolled rearmament of Germany, in other words the rearmament of Germany under certain restrictions and limitations and in return for certain concessions on her part, or her rearmament pure and simple, up to the limit of her financial capacity, and without any concessions from her in return.

My French colleague also holds this opinion, but, as Lord Tyrrell has remarked,<sup>2</sup> he is in advance of Paris, where, so he has himself told me, he has in many quarters the reputation—entirely undeserved, as I can testify—of being pro-German.

Repeated to Rome.

<sup>2</sup> See No. 14.

## No. 82

*Lord Tyrrell (Paris) to Sir J. Simon (Received November 28)*

*No. 295 Saving: Telegraphic [C 10368/245/18]*

PARIS, November 27, 1933

Your telegram No. 228.<sup>1</sup>

I made this evening to Secretary-General the communication which I was instructed to make to the Ministry for Foreign Affairs. M. Léger, after thanking me, read me a long telegram from French Ambassador in Berlin recording his interview with the German Chancellor of which following was the gist:

2. Herr Hitler was most cordial, was profuse in protesting his peaceful intentions generally and loud in his desire for a full *bon voisinage* agreement with France. Questioned by M. Poncet regarding disarmament he replied that if the heavily armed Powers would proceed to a real measure of disarmament he would be content that Germany should remain at her present level; but the measure of disarmament, in order to satisfy him, would have to be very considerable, more considerable than he felt there was any chance of obtaining. That being so, he would be content that other Powers should preserve their existing level of armaments, provided Germany were allowed a short-service army of 300,000 men, with 'defensive' weapons in the appropriate number (no gun over 155 millimetres) light tanks and chaser [*sic*] aeroplanes. If that were agreed, he would be prepared to sign a convention which would include the abolition of chemical and bacteriological warfare and of the bombardment of civil populations and would provide for international supervision.

3. He went on to say that he had no desire to separate France from her

<sup>1</sup> No. 74.

friends and allies. He would have no objection to a defensive alliance between Great Britain and France and would so inform His Majesty's Government in the event of their mentioning the matter to him. He would be prepared to come to an arrangement with Czechoslovakia similar to that with Poland. As regards Austria he had no desire to interfere in her internal affairs, but hoped only that she would return to constitutional methods so that her people could give free expression to their will. He expressed hope that an arrangement could be come to with France regarding the Saar; if the plebiscite were awaited 95 per cent. of the votes would go in Germany's favour but if France would agree to immediate incorporation of the Saar in Germany he would agree on his side to maintain position and rights of all French industrial concerns. Questioned about his intentions concerning the League he said that Germany could never rejoin it in its present shape, but that it might be possible to reform and re-adapt it in such way as to facilitate her return. It was agreed between the Chancellor and M. Poncet that no communiqué should be issued and that the substance of their conversation should remain confidential for the time being. In view of this M. Léger, in authorising me to report conversation to you, stipulated that no reference should be made to it.

See my telegram No. 113.<sup>2</sup>

<sup>2</sup> No. 87.

### No. 83

#### *Memorandum on the German-Polish Declaration of November 16, 1933<sup>1</sup>*

[C 10347/316/18]

FOREIGN OFFICE, *November 27, 1933*

The German-Polish declaration of the 16th November is discussed in detail in the annex to this memorandum.

2. The points of interest which it raises seem to be as follows:—

(a) The declaration is cast in the vaguest and the least binding form possible. It is important, not because of its contents, but only in so far as it gives an indication, and constitutes a precursor, of future German and Polish policy.

(b) The negotiation of this declaration would seem to be the first step in the policy announced on the 14th October to negotiate non-aggression pacts with the neighbours of Germany, and the immediate object of this policy would appear to be (i) to replace her obligations towards them under the League; (ii) to demonstrate by concrete action the sincerity of Hitler's peaceful professions; and (iii) to be able to show that in the disarmament question, Germany is making her 'moral' contribution.

(c) Attempts seem to be developing to negotiate agreements with France and Czechoslovakia and even Austria. In the case of Czechoslovakia, the

<sup>1</sup> For the text of the declaration issued in Berlin on November 15, and published in the German press of November 16, see No. 59, note 3.

German Government have definitely proposed a non-aggression pact, but the Czechoslovak Government have so far declined to negotiate.

(d) Poland seems to have required little incentive to respond to the German wishes in this matter; and all the evidence available suggests that the arrangement of the 16th November was due to the initiative not of the German, but of the Polish Government, which, apart from the question of its relations with France, feared the new gap in the security of Poland created by the threatened withdrawal of Germany from the League.

(e) If the present Polish-German declaration is followed up by a non-aggression pact, and if that non-aggression pact definitely commits Germany to the maintenance of the territorial *status quo* of her Eastern frontiers, then we shall be faced with a definitely new German policy. But at present we have nothing to show that this is impending. The new German policy, if limited to declarations such as the Polish-German declaration, would in itself involve no fresh undertaking by Germany, since the effect of such a policy would merely be to replace, by somewhat less satisfactory instruments, Germany's obligations under the Covenant; and, in the case of Poland, to reaffirm the preamble of the Polish-German Arbitration Treaty.<sup>2</sup> Their value, if any, would lie in the fact that any such new agreements would bear Hitler's signature instead of that of previous Governments repudiated by the Nazi régime.

(f) It is natural to ask, but too early to say, how far the arrangement with Poland and the arrangements apparently sought with France and Czechoslovakia, and, for all we know, other States, are intended to have other objectives besides the immediate ones mentioned in (b). For instance, do they represent an attempt by Germany to dissolve the 'joint front' of last summer by negotiating with each of her neighbours separately? Do they represent a desire to free Germany's hands, so far as Poland is concerned, for a more vigorous policy in Central Europe (N.B.—this supposition seems to be in contradiction with the approach to Czechoslovakia) or in Russia, or do they merely represent a German intention to postpone all possible trouble or adventure in German foreign relations for a period of years until the German domestic situation as regards armaments, finance and economics has been firmly established?

<sup>2</sup> Printed in Cmd. 2525 of 1925, pp. 34-45.

### ANNEX TO No. 83

#### *German-Polish Relations*

The most recent development in German-Polish relations—that of the declaration by the two Governments given out in Berlin on the 16th November 'to get to grips with the questions affecting the two countries by direct negotiation and to renounce any use of force in dealing with each other' necessitates a brief review of the relations of the two countries.

2. During recent years the most important instruments governing German relations with Poland have been the Covenant of the League of Nations, the

German-Polish Arbitration Treaty of Locarno (the 16th October, 1925) and the Kellogg Pact. The relevant provisions of the Covenant and the Kellogg Pact need not be mentioned here; but it may be recalled that the German-Polish Arbitration Treaty of Locarno provided that disputes between Germany and Poland which could not be settled by diplomacy should be decided either by an arbitral tribunal, or the Permanent Court of International Justice, or the Permanent Conciliation Commission established by the treaty, or in the last resort by the Council of the League itself. No mention is made of the territorial question in the treaty, but the preamble states that the two countries are equally resolved to maintain peace between Germany and Poland by assuring the peaceful settlement of differences which might arise between the two countries; declare that respect for the rights established by treaty or resulting from the law of nations is obligatory for international tribunals; agree to recognise that the rights of a State cannot be modified save with its consent; and consider that sincere observance of the methods of peaceful settlement of international disputes permits of resolving, without recourse to force, questions which may become the cause of division between States. It will be seen that this preamble amounts to a mutual undertaking not to use force, and to that extent the declaration of the 16th November is really a repetition of the principles laid down in the preamble. Since, therefore, the declaration contains no new principle, the need for it at the present time must be due to other special reasons. It is the object of this memorandum to elucidate these reasons as far as possible.

3. Despite the guarantees provided by the instruments mentioned in the preceding paragraph, there was no evidence of the acceptance by German opinion of the treaty settlement of the question of Germany's eastern frontiers, and much evidence to the contrary. The advent of the Nazi régime only increased the atmosphere of suspicion and excitement which was being aroused in both Germany and Poland by the numerous hostile utterances on the part of leading members of the Nazi party and the violence of the anti-Polish propaganda carried on by certain German newspapers. These were the circumstances in which the Polish Foreign Minister (M. Beck) informed His Majesty's Ambassador at Warsaw on the 10th May<sup>1</sup> that he had instructed the Polish Minister in Berlin to call the German Chancellor's attention to the situation, and to endeavour to obtain from him a definite statement as to the policy which he intended to follow towards Poland. The result was the official communiqué issued in Berlin on the 5th [4th] May,<sup>2</sup> which stated that Herr Hitler had emphasised to the Polish Minister 'the firm intention of the German Government to maintain an attitude and to follow a line of action strictly within the framework of the existing treaties, and its desire that both nations should examine and handle their own interests dispassionately'. This communiqué was followed on the 17th May by an important reference to German-Polish relations in Herr Hitler's speech in the Reichstag. He said that 'the mentality of the past century which believed that Germans could be made out of Poles and Frenchmen is so foreign to us

<sup>1</sup> See Volume V of this Series, No. 129.

<sup>2</sup> See *ibid.*, No. 116, note 1.

that we are passionately against any attempt to do the same. We regard the European nations around us as an established fact. . . . The considered treatment of European problems could (at the time of the signature of the Treaty of Versailles) have found a solution in the east which would have met the reasonable claims of Poland as well as the natural rights of Germany. The Treaty of Versailles did not find this solution. None the less, no German Government will of its own accord effect a breach of an agreement, which cannot be set aside unless it is replaced by a better agreement.'

4. Nothing further was heard of direct German-Polish relations during the summer of 1933. But in June the Nazis secured a majority at the Danzig parliamentary elections, and after a visit to Berlin their leader got into touch with the Polish Government, and emphasised his desire to establish better relations between Danzig and Poland.

5. On the 14th October came the second German withdrawal from the Disarmament Conference and the announcement of the German Government's intention 'to leave the League of Nations until equality of rights is finally granted to our people'. Concurrently with this decision the German Government, in an appeal to the German people, stated that 'the Government of the German Reich and the German people reject force as an unsuitable measure for removing the differences which exist between the European community of States. . . . The German Government and people are determined, in order that proper relations may at last be restored even with former hostile States, to examine and to solve all existing questions in a dispassionate manner by means of negotiations. The German Government and people therefore declare themselves ready at any time to ensure indefinitely the peace of Europe by the conclusion of continental pacts of non-aggression, to serve its economic welfare and to participate in the reconstruction of its civilisation.'

6. Simultaneously with the decisions of the 14th October to withdraw from the Disarmament Conference and to leave the League, Herr Hitler made a marked public advance to France. Ten days later, on the 24th October, he followed it by an advance to Poland. His Majesty's Ambassador in Berlin reports that Herr Hitler in a speech referred to the Polish Corridor. 'It would have been possible,' he said, 'when the treaty was drawn up to find a natural solution for the Polish question. There were both Germans and Poles in Europe. Both must accustom themselves to live together and to get on with each other. But the Poles could not by mere thinking remove the German people from the map of Europe, and the Germans were not so foolish as to imagine that they could remove the Poles.' Early in November reports began to come in from French sources that German overtures had been made to Poland for the conclusion of a separate non-aggression treaty; and that similar overtures had been made to Czechoslovakia. His Majesty's Minister at Prague confirmed the report as regards Czechoslovakia and stated that M. Benes's view was that such a pact was impossible unless it included 'Poland'.<sup>3</sup>

<sup>3</sup> *Note in original*: 'In view of M. Benes's reply to the German offer of a non-aggression pact,



7. As far as Poland was concerned these reports were denied to His Majesty's Chargé d'Affaires at Warsaw by the Polish Minister for Foreign Affairs; and from a communication made by the Polish Ambassador at the Foreign Office on the 17th November it seems that the occasion of the origin of the joint declaration referred to in paragraph 1 of this memorandum was (as in the somewhat similar instance in May 1933) an advance on the part of the Polish Minister in Berlin. According to the Polish Ambassador in London, the Polish Minister in Berlin told Herr Hitler 'that the withdrawal of Germany from the League would have the effect of cancelling those peaceful pledges by which both countries had hitherto been bound. Herr Hitler pointed out that these could be made good by laying down the basis on which direct relations between the two countries should in future be carried on. For this purpose it was agreed that the two Governments should mutually recognise that the employment of force was to be excluded in all their relationships to each other.' This, according to M. Skirmunt, was the origin of the agreement recorded in the communiqué issued in Berlin on the 15th November, to the effect that the conversations between Herr Hitler and the Polish Minister disclosed 'complete agreement between the two Governments, who intended to get to grips with the questions affecting the two countries by direct negotiation, and further to renounce any use of force in dealing with each other in the interests of the consolidation of European peace'. M. Skirmunt pointed out that this declaration was not intended to affect in any way Poland's obligations to the League, to her Allies, or any other country. On the other hand, it was hoped that it would prove a useful

it is curious to note the following passage in Prague despatch No. 168 of the 11th November [not printed]: "The Czechoslovak Government are nervous and apprehensive of what the future has in store for them. They have had recourse to extraordinary measures of defence and, by suppressing all political activities except those which are congenial to them and by prosecuting and imprisoning their opponents, apparently hope to impose their will until things get better. The Government's energy is intensifying the discontent of the minorities. . . . The immense majority of the German population is Nazi, and would welcome any opportunity to make the fact patent. It is in those parts of the country that Government repression is intense." [The despatch is not accurately quoted: the wording of the passage in question is as follows: 'The Government and government circles are nervous and apprehensive of what the future has in store for them. They have consequently had recourse to extraordinary measures of defence, and by suppressing all political activities except those which are congenial to them, and by prosecuting and imprisoning all those who venture to differ with them, apparently hope to impose their will until such time as "things get better"—whenever that may be. The Government's energy is intensifying that which gave rise to it, namely the discontent of the minorities which, as often remarked, in this country constitute the majority. . . . So far as the German population is concerned, I believe it to be true to say that the immense majority is Nazi, and would welcome any opportunity to make the fact patent. It is in those parts of the country that Government repression is intense and it is probably true that the prisons are well stocked with persons who have not been prudent in their actions or utterances. Unfortunately the German territories are also, in the main, the industrial part of the country. It is they who are feeling in its most acute form the intense distress at present prevailing and, hunger being a bad adviser, economic anger intensifies a dislike which would be great enough, without this powerful aid. For the distress is, I understand, very great and there appears to be no valid reason for anticipating an improvement.']

basis on which to carry on negotiations with the German Government for the settlement of a number of questions outstanding between the two Governments, more particularly of a commercial nature. These negotiations had, in fact, already begun. There was, so M. Skirmunt added, no intention that these negotiations should deal with the territorial settlement of Poland.

8. Later information available confirms the impression conveyed by the Polish Ambassador in London that the communiqué was the result of a Polish initiative intended to secure some practical advantage from the indications given by Herr Hitler in his speech in the Reichstag of the 17th May and the German Government's manifesto of the 14th October and in Herr Hitler's speech of the 24th October; and, by doing so, to provide for Poland some practical insurance in the situation created by the threat of Germany to leave the League. On the other hand, it should also be noted that the Polish initiative fits in with the new German policy of replacement of the Covenant by a series of separate arrangements which seems to be forecast by Herr Hitler on the 14th October and in the 'Matin' of the 22nd October [November];<sup>4</sup> and at the same time gives the latter an opportunity of demonstrating the sincerity of the peaceful intentions which he has recently been professing.

9. According to information from Paris, it is recognised there that if the declaration of the 15th November is expanded into some political convention of non-aggression, the French liabilities under the Franco-Polish treaties of 1921 and 1925<sup>5</sup> will be correspondingly diminished. It is felt that under Articles 1 and 4 of the Franco-Polish treaty of 1921 the Polish Government should have given the French Government some preliminary warning of its intentions in this matter; to that extent, the action proposed has reacted unfavourably on Franco-Polish relations and represents a success for Germany.

10. Herr Hitler having declared in his speech of the 14th October that he was in favour of non-aggression pacts, it would be natural to assume that the present declaration is the first step towards the conclusion of such a pact with Poland. On the other hand, it is difficult to see how such a German-Polish non-aggression pact could be concluded without involving the recognition by Germany of Poland's territorial integrity. It will be interesting to see whether Herr Hitler is prepared to commit himself on this point.

<sup>4</sup> See No. 79, note 3.

<sup>5</sup> See *British and Foreign State Papers*, vol. 118, pp. 342-3 and vol. 122, p. 287, note 1.

## No. 84

*Lord Tyrrell (Paris) to Sir J. Simon (Received November 29)*

*No. 1648 [C 10435/653/18]*

PARIS, November 27, 1933

His Majesty's Representative at Paris presents his compliments to the Secretary of State for Foreign Affairs, and, with reference to Paris despatch No. 1184<sup>1</sup> of August 14, and Foreign Office telegram No. 175 Saving<sup>2</sup> of

<sup>1</sup> Not printed. See No. 30, note 2.

<sup>2</sup> No. 30.

November 10, has the honour to transmit to him a copy of a note of November 27 from the Ministry for Foreign Affairs, regarding the sale of foreign aircraft and engines to Germany.

ENCLOSURE IN No. 84

PARIS, le 27 novembre, 1933

Par une note en date du 14 août, le Ministère des Affaires Étrangères a eu l'honneur de répondre à une note No. 541 en date du 3 août, par laquelle l'Ambassade d'Angleterre avait bien voulu lui faire savoir que le Gouvernement de Sa Majesté avait examiné les moyens les plus efficaces pour empêcher la vente au Gouvernement allemand d'avions et de moteurs étrangers ainsi que de licences de construction de matériel et de moteurs susceptibles d'emploi à des fins interdites par l'accord aéronautique signé à Paris le 22 mai 1926.

Par sa communication précitée, le Ministère des Affaires Étrangères avait fait savoir à l'Ambassade d'Angleterre que le Gouvernement de la République était prêt en ce qui le concernait à s'associer à l'action suggérée par le Gouvernement britannique et au cas où les Gouvernements intéressés prendraient des mesures analogues, à inviter les constructeurs français de matériel aéronautique et de moteurs à ne conclure aucun contrat pour la vente de matériel aéronautique ou de licences de construction de matériel aéronautique soit au Gouvernement allemand directement, soit à toute autorité publique ou administrative allemande et particulièrement à la police à moins d'avoir reçu par écrit une assurance formelle du Gouvernement allemand garantissant qu'il ne serait fait de ce matériel ou de ces licences aucun usage à des fins contraires à l'accord aéronautique de Paris.

Depuis lors, l'Ambassade d'Angleterre a bien voulu faire savoir au Ministère des Affaires Étrangères que le Gouvernement néerlandais n'étant pas signataire du Traité de Versailles, le Gouvernement de Sa Majesté Britannique n'avait pas cru pouvoir l'approcher, mais que les Gouvernements belge, italien, polonais et tchécoslovaque s'étaient déclarés prêts à prendre le même engagement que les Gouvernements britannique et français.

Le Ministère des Affaires Étrangères a l'honneur de confirmer à l'Ambassade d'Angleterre qu'il est prêt, en ce qui le concerne, à mettre en vigueur sans délai les mesures proposées.

Toutefois — et sans qu'il doive en résulter aucun retard dans l'application des dispositions sur lesquelles l'accord est d'ores et déjà réalisé entre les Gouvernements britannique, belge, français, italien, polonais et tchécoslovaque — le Gouvernement de la République croit devoir attirer l'attention du Gouvernement de S.M. Britannique sur l'efficacité douteuse de ces dispositions si elles ne sont pas accompagnées de mesures complémentaires.

Le Gouvernement de la République estime en effet que pour exercer leur plein effet ces dispositions devraient d'une part s'appliquer non seulement aux administrations allemandes, mais encore aux organisations diverses, politiques, sportives et autres, sous le couvert desquelles le Gouvernement

du Reich pourrait chercher à acquérir les avions prohibés ainsi qu'aux constructeurs par l'intermédiaire desquels pourraient être achetés les moteurs destinés à des appareils militaires ou de police.

D'autre part, si l'accord aéronautique de Paris permet de discriminer les aéronefs dont l'exportation en Allemagne sera prohibée, il n'en est pas de même des moteurs d'avions. Il serait donc utile de définir les caractéristiques des moteurs dont les Gouvernements s'engageraient à empêcher l'exportation en Allemagne.

Le Ministère des Affaires Étrangères croit devoir prier l'Ambassade d'Angleterre de bien vouloir attirer sur ces considérations l'attention du Gouvernement de S.M. britannique et attacherait du prix à connaître les conclusions auxquelles leur examen conduirait les Autorités britanniques.

No. 85

*Letter from Mr. MacDonald to Mr. Stimson<sup>1</sup>*

[W 82/82/98]

*Personal*

*November 27, 1933*

My dear Stimson,

A most severe and continuing pressure of work, which I think you can very well imagine, has prevented my replying to yours of the 3rd<sup>2</sup> earlier.

Needless to say, I am greatly disturbed that any misunderstanding and irritation should have been caused on the point about which you write. It is quite true that you made it perfectly clear that the figures upon which we agreed should be used at the absolute discretion of the United States Government, and that you also made it plain that a 10,000 ton cruiser was the type which your naval authorities thought most convenient for you. You will also agree, I think, that we made it clear that our Admiralty here were very nervous of this 10,000 ton type becoming a standard, because we have always regarded it as in reality a new type. In one of our records there is a very casual sentence referring to what was obviously nothing but a friendly generality which you may have said, but it did not amount to anything like a promise, and I place no emphasis upon it whatever.

For some time we have been facing renewed activity on the part of our Navy League. So far as I am concerned, I wish to stand by the London Treaty as a maximum which ought not to be exceeded in 1935-6, if we could get the European and Asiatic Powers concerned to negotiate and agree upon it as a basis; and, when the new American building programme was announced, although we stated immediately in the House of Commons<sup>3</sup> that it

<sup>1</sup> A copy of this letter was communicated to the Foreign Office by the Prime Minister on January 1, 1934.

<sup>2</sup> No. 4.

<sup>3</sup> See Parl. Deb., 5th ser., H. of C., vol. 279, col. 745.

was nothing more than what had been agreed upon at London and embodied in the Treaty, it did add to the unsettlement, and, in order to keep things in hand, our Foreign Office addressed to Washington what was certainly meant to be a most friendly Note<sup>4</sup> suggesting that we should keep together in our naval armaments and proposing exchanges of views upon our respective needs. I am afraid that that good intention of ours was not very well received on your side, and somewhat nasty [*sic* ? hasty] comments published in your press were of course duly reported in ours, and the position was not improved thereby. As you know, we have been replacing well within the figures of the London Treaty upon annual programmes designed to keep the manufacturing side at old standards of employment, without expansion. The Admiralty pointed out as regards the keels to be laid down this year that it was sheer waste of money to build 7,500 ton ten-inch [*sic*] cruisers, in view of the type which Japan and you were building, and that it would be better to build nothing than something which would be of no use whatever should any trouble arise. We have, therefore, had to readjust the programme, still keeping, however, well within the London Treaty figures. All this seems to me very ominous, in view of 1935. Can nothing be done in the meantime to hold the position? We are not going to build against the United States; and what I have in mind is not that you and we, as regards ourselves only, should come to agreements about programmes, but that you and we—as the only two nations in the world that really wish to keep armaments at the lowest possible level—should together see the very serious problem that we have to face, play into each others hands in the meantime, and go unitedly into the 1935 negotiations.

Meanwhile, pray accept my most unreserved assurances that I accept what you have said in your letter of the 3rd instant as a perfectly accurate account of your position. The world continues to be a very worrying place, and sometimes one feels that the work that has been done to get international co-operative action, both on the political and the economic side, is to be thwarted and can be returned to only after some serious catastrophe. I can assure you I continue to work with might and main for better ways and better solutions.

I hope that Mrs. Stimson, your sister and yourself keep in very good fettle.

I am,  
Yours always sincerely,  
J. RAMSAY MACDONALD

P.S. Although I must mark this letter 'personal', of course you are at full liberty to show it to anyone who may be doing you an injustice. Both the Admiralty and the Foreign Office here are under no misapprehension as to what your position, as regards these cruisers, was at London.

<sup>4</sup> See Volume V of this Series, No. 392, note 2.

No. 86

*Sir J. Simon to M. Corbin*

[C 10339/245/18]

FOREIGN OFFICE, *November 27, 1933*

My dear Ambassador,

I write in reply to M. Cambon's letter to Mr. Sargent of the 16th November<sup>1</sup> to tell Your Excellency that His Majesty's Government in the United Kingdom have had under consideration the French Government's enquiry as to whether we should desire at this stage to join in an examination of the information contained in the French memorandum<sup>2</sup> of the 4th August concerning German rearmament.

His Majesty's Government have never been insensible to the importance of this request. Their difficulty has been to come to a decision upon it in the changing circumstances at Geneva during the last few months.

Disarmament negotiations are still continuing and, indeed, seem likely to be entering an important stage. At any rate, so long as this is the case, Your Excellency will, I feel sure, agree that it would be unwise to contemplate the course of arraigning Germany before the League of Nations under Article 213 of the Treaty of Versailles. It is, therefore, difficult to see what immediate purpose the proposed examination would serve. Indeed, in present circumstances, the institution of such an examination (which might conceivably become a matter of public knowledge) might, in the opinion of His Majesty's Government, prove most embarrassing and seriously prejudice the impending conversations between Governments on disarmament.

As Your Excellency has again asked for an immediate reply to the French enquiry, that reply must be that, in present circumstances, we are not satisfied that the proposed joint examination would be desirable. At the same time, I wish to express to your Government our thanks for their communication and for their consideration in consulting us on the subject.

Yours very sincerely,

JOHN SIMON

<sup>1</sup> Not printed. This letter enclosed the *aide-mémoire* printed as No. 45.

<sup>2</sup> Not printed.

No. 87

*Lord Tyrrell (Paris) to Sir J. Simon (Received November 28, 9.30 p.m.)*

*No. 113 Telegraphic [C 10407/245/18]*

PARIS, *November 28, 1933, 7.0 p.m.*

My telegram No. 295 Saving.<sup>1</sup>

M. Léger went on to say that Chancellor was evidently making a strong bid for an all-round agreement with France and that new French Government would shortly have to decide which course they would follow. They

<sup>1</sup> No. 82.

could either treat Herr Hitler's conversation with French Ambassador in Berlin as the first stage in French contribution to 'parallel and supplementary efforts' in the sense of recent Geneva decision, or they could respond to Herr Hitler's advances, in the spirit in which they were made, with a view to conclusion of an all-round agreement such as would regulate Franco-German relations over the whole field for some years to come. That Herr Hitler's mind was set in that direction was borne out by his evident desire to smooth French path by making haste to placate Poland and Czechoslovakia.

2. If the first of these two courses were followed M. Léger did not see how the Chancellor's offer could advance the work of Disarmament Conference. If the second course were followed it would mean of course a negotiation *à deux* since matters extraneous to the Conference and matters of purely Franco-German concern would come under discussion. He had as yet made no considered recommendation to M. Boncour nor discussed with him sense in which President of the Council should be advised. Even when that had been done he did not think M. Chaumets would authorise a further step of any kind until the matter had been fully discussed in Council of Ministers which was unlikely to be until after financial straits had been got over.

3. By way of reflections on your telegram to Berlin<sup>2</sup> which you were good enough to invite me to offer I can do little more than refer to my previous messages in which I reported the French view as being that in the light of German pretensions and of impossibility for France to go beyond September concessions no fresh offer could be made to Germany such as could possibly lead to a generally acceptable disarmament convention and that in those circumstances there was nothing left but for the Powers to continue the work at Geneva in Germany's absence and negotiate the best possible convention amongst themselves, the French motive for this policy being, a firm belief that<sup>3</sup> Germany could thus be induced to return to the fold by acceding to such convention, but hope of preserving by this means a common front within orbit of the League until such time as either a change of spirit came about in Germany or her conduct became such as united the principal Powers in some joint restraining action. As above view found no favour either in London or Rome the easiest course for a smarting<sup>4</sup> French Government was to subscribe as it did to recent Geneva decision which at least had the merit of preserving common front for a further short space.

4. Of the two courses between which M. Léger says new French Government must now choose the first would postpone the necessity of taking so big and so far-reaching a decision as would be required by adoption of the second. They may think when extent of rearmament involved in Chancellor's pretensions are [*sic*] generally known there will be at least a chance of preserving still further the common front which to most French minds means solidarity with Great Britain and which the bulk of French opinion has

<sup>2</sup> The reference appears to be to No. 77.

<sup>3</sup> On the confirmatory copy of the telegram received later by bag these words read: 'being not the belief that . . . '.

<sup>4</sup> On the confirmatory copy of the telegram this word read: 'tottering'.

hitherto placed before all other considerations. On the other hand the nature of Herr Hitler's offer may give strength to those elements which as I have reported are in favour of a separate Franco-German agreement and which are undoubtedly on the increase. Their argument would be that Germany clearly intends to rearm come what may, that Great Britain shows no inclination to stand by France in resisting German pretensions with requisite firmness, that Italy is sitting on the fence with one leg planted firmly in the German camp and that if in these circumstances German rearmament is inevitable it is better that it should occur in conditions which would at least set *some* limit to it whilst imposing no restrictions on France offering her at the same time certain advantages in other directions.

5. M. Léger who was less communicative than usual was or professed to be quite unable to forecast what line the Government would take. With international situation changing so rapidly and in the confusion caused here by change of Government in the midst of a most difficult internal situation it is impossible at this moment to obtain any reliable indications. Many people think mistrust of Germany is so deeply rooted that the country as a whole will recoil from any such settlement as Herr Hitler is offering. A weak Government may well hesitate to embark on a policy which would mean a complete break from that which France has followed since the War with remarkable consistency. On the other hand that such a break is in the realm of possibilities is shown by very violence with which certain organs of the press are pointing out its dangers.

Repeated to Rome and Berlin.

No. 88

*Sir E. Phipps (Berlin) to Sir J. Simon (Received November 30)*

*No. 1191 [C 10467/2092/3]*

BERLIN, *November 28, 1933*

Sir,

With reference to my telegram No. 95, Saving,<sup>1</sup> of the 25th November, I have the honour to report that the German soldier who was shot by a member of the Austrian Heimwehr near the Austro-German frontier on the 24th November was buried with great ceremony on the 27th November at Nürnberg, of which he was a native.

2. The funeral was attended by the Chancellor himself, who was accompanied by the Minister of Defence, the chief of the Army Command, the chief of the Naval Command, and many other officials of the Reich and Bavarian Governments. After the service General von Blomberg made a short speech, in which he said that it was his task to lay two wreaths on the grave of their dead comrade, one from the oldest soldier in the army, Field-Marshal von Hindenburg, the other from himself, as Commander-in-chief of the German Defence Forces. This young man had died in the service of his country, and

<sup>1</sup> Not printed. This telegram reported the incident referred to below.



such a death was not in vain. He must be honoured as a martyr for the rebirth of the German Reich.

3. The Chancellor, who began his speech with the words: 'My dear, dead comrade', said that he laid his wreath upon the grave as representative of the 40 million Germans who on the 12th November had devoted themselves to the ideal for which this young soldier had sacrificed his life. He knew that a wave of pain and bitterness was passing through all Germany; but he also knew that the sacrifice of this young life had not been in vain. Referring to General von Blomberg's address, the Chancellor said that the dead soldier was not only a martyr of the German army. He was, in the eyes of the whole German people, a martyr who had fallen for their cause. Raising his voice, the Chancellor then declared that the murderers of this German soldier were not to be identified with the millions of his brothers on the other side of the frontier. If these brothers were able freely to express their opinion, they would solemnly disassociate themselves from the murderers and from the principles from which this crime had resulted. He was convinced that the opinion expressed on the other side of the frontier would be the same as that which had already been expressed in the Reich. Therefore, this sacrifice must not become a source of renewed bitterness, but should be a mass in witness of the Faith and of the new German Commonwealth. The Chancellor concluded with an invocation to German youth, to whom the dead soldier should be not only an example but also an exhortation to give all to their Fatherland when it should be asked of them.

4. The ceremony was concluded by the Commander of the Munich military district, who simply said that the dead soldier had fallen at the frontier of the Reich, but his last glance had seen German country all around him.

5. The presence of the Chancellor and his words were doubtless meant to make a deep impression on the Reichswehr in particular, and upon public opinion generally, both in Germany and Austria.

6. The pomp and circumstance attending the above-mentioned ceremony, and the great prominence devoted thereto by the official Nazi organ hardly bear out the assurance given to the Military Attaché to His Majesty's Embassy at the Ministry of Defence (and reported in my telegram under reference) to the effect that the German Government did not mean to exploit the incident. It is probable, however, that the Ministry were unaware, at the time, of the Chancellor's intention to be present himself at the funeral of the fallen soldier. Baron von Neurath, when I rang him up yesterday morning to ask for an interview with the Chancellor, did not even know whether Herr Hitler was in Berlin or not: as a matter of fact, he was that very morning attending the funeral ceremony at Nürnberg—another instance of the lack of co-ordination which exists here.

7. I am sending a copy of this despatch to His Majesty's Minister at Vienna.

I have, &c.,  
ERIC PHIPPS

No. 89

*Sir E. Phipps (Berlin) to Sir J. Simon (Received November 30)*

*No. 102 Saving: Telegraphic [C 10450/245/18]*

BERLIN, November 29, 1933

My telegram No. 269 of November 27.<sup>1</sup>

The French Ambassador does not share even Baron von Neurath's limited optimism. He has received no indication from Paris of the views of the French Government on his last conversation with the Chancellor. He continues to think that nothing concrete will emerge until after the formation of a really strong Government in France. For the present he does not contemplate any further conversations with Herr Hitler.

As an indication of the varying undercurrents here, I may mention that the Italian Ambassador tells me that so late as November 27 Herr von Bülow remarked to him that there could be no question of reaching an agreement with France over the Saar question until after the plebiscite (see my telegram No. 97 Saving<sup>2</sup> of November 27). There was now no reason for such an agreement which would only have been of some use to Germany when there were still several years to run before the plebiscite. Herr von Bülow, of course, has always represented the extreme Nationalist view in the Ministry for Foreign Affairs.

Repeated to Rome.

<sup>1</sup> Not printed. In this telegram Sir E. Phipps reported that Baron von Neurath felt more confident of reaching agreement with France provided a really strong government emerged there.

<sup>2</sup> No. 79.

No. 90

*Sir E. Phipps (Berlin) to Sir J. Simon (Received December 1, 11.10 a.m.)*

*No. 271 Telegraphic [C 10527/245/18]*

BERLIN, December 1, 1933, 11.15 a.m.

I dined last night with Baron von Neurath.

He continues fairly hopeful regarding ultimate result of Franco-German conversations but thinks that they must not be rushed and that time is necessary to enable French public opinion to become sufficiently realistic and to cause formation of a strong Government in France.

I am to see the Chancellor next week.

*Sir J. Simon to Lord Tyrrell (Paris)**No. 1859 [C 10576/245/18]*FOREIGN OFFICE, *December 1, 1933*

My Lord,

M. Corbin had a conversation with me today on the disarmament situation. He indicated that his Government would be glad to learn whether we had reached any conclusions in reference to the Hitler proposals. I told him that these proposals were under our careful consideration, but that we had not completed our analysis of them. Was the French Government clear as to their precise content? We had made some enquiries from Berlin and had ascertained that the proposal of a 300,000 short-term army was to be understood as accompanied by the abolition of the Reichswehr. We were likewise informed that the German Government were still ready to agree to come under an adequate system of general supervision, though I told the Ambassador that they had made the comment that 200 French officers attached to the German army would really be a better method. M. Corbin observed that he did not think that this would be a good substitute for effective international control.

2. We then discussed the political side of Herr Hitler's proposals, for, as the Ambassador observed, armaments were only one aspect of the field of international relationship. As to the Saar, I reminded the Ambassador of the efforts made some years ago to reach an accommodation without waiting for the plebiscite which is due to take place in January 1935, and enquired whether he thought there was any prospect of an agreed adjustment now which would avoid the rival propaganda and intensity of feeling which would otherwise develop as the day of decision approached. M. Corbin thought that the French Government would certainly give this matter careful consideration, though they would feel much difficulty in substituting a decision between the two Governments for the self-determination of the Saar inhabitants. I referred to the report of a resolution by the Foreign Affairs Committee of the Chamber in Paris on the subject,<sup>1</sup> but expressed the hope that there would be no premature declaration, especially as Herr Hitler had said the Saar was the only outstanding question between Germany and France on the subject of the frontier between them. M. Corbin observed that he doubted whether the same thing could be said of the frontier between Germany and Belgium.

3. While making it quite clear that His Majesty's Government had reached no conclusions, but were still reflecting upon the issues involved, I emphasised our interest in the idea that the immediate problem of disarmament

<sup>1</sup> On November 29 the Foreign Affairs Committee of the Chamber of Deputies decided to ask the Government to impress upon the League of Nations the necessity of guaranteeing to the population of the Saar the rights and safeguards accorded by the Treaty of Versailles, and full liberty in respect of the plebiscite to be held in 1935.

might perhaps find its best solution in a wider setting which would deal with current political difficulties. The Ambassador said that he appreciated this, but that everything depended upon whether Germany's wider proposals were designed merely to give her a better position for a future advance. In that event, he saw no advantage in making concessions up to the point of Germany's present demands. For example, the indications that Germany wished a revision in the constitution of the League and in the terms of the Covenant were of great significance; it was clear that she wished to attack the rule of unanimity which prevailed to preserve existing frontiers.

4. I enquired whether the Ambassador could give me any information on recent developments in German-Polish relations. His Excellency said that notwithstanding that the French might be regarded as specially friendly with the Poles, Poland had been slow in reporting what had passed. It was not, of course, the case that any pact had been entered into between Germany and Poland, but he understood that the Lipski-Hitler conversations had resulted in a declaration that the two countries were resolved to regulate any difference between them by peaceful means.

5. Returning to Franco-German questions, M. Corbin indicated that France had some misgivings about bilateral conversations between Paris and Berlin. France felt that this method left her rather isolated. I assured him that our own wish to co-operate was in no way diminished. I had indicated in my last House of Commons speech<sup>2</sup> our preference for bilateral conversations partly because I wished to make it plain that the adjournment at Geneva did not mean the immediate recourse to the methods of the Four-Power Pact, which we realised France would have found difficult. How matters would now develop we should soon know, and we had every intention of keeping in close touch with the French Government and exchanging views with them.

I am, &c.,

JOHN SIMON

<sup>2</sup> On November 24. See No. 75, note 2.

## No. 92

*Sir J. Simon to Lord Tyrrell (Paris)*

*No. 1860 [C 10536/245/18]*

FOREIGN OFFICE, *December 1, 1933*

My Lord,

At the end of my interview with the French Ambassador today (see my despatch No. 1859)<sup>1</sup> His Excellency handed to me the annexed *aide-mémoire* on the subject of my communication of the 27th November<sup>2</sup> stating our view that we did not think the time opportune for an examination of the French dossier on German rearmament. His Excellency and I did not discuss this

<sup>1</sup> No. 91.

<sup>2</sup> See No. 86.

*aide-mémoire* as he was on the point of leaving and as I saw at the first glance that it indicated a certain difference of view which would need reflection.

I am, &c.,

JOHN SIMON

ENCLOSURE IN No. 92

*Aide-mémoire communicated to the Secretary of State by the French Ambassador on December 1*

*Le 1<sup>er</sup> décembre 1933*

Le Gouvernement français a pris connaissance de la lettre qu'à la date du 27 novembre, le Secrétaire d'État pour les Affaires Étrangères a bien voulu adresser à l'Ambassadeur de la République à Londres.

Aux termes de cette communication, le Gouvernement de Sa Majesté ne juge pas désirable, dans les circonstances présentes, de faire procéder par experts qualifiés des deux Gouvernements à l'examen en commun, proposé par le mémorandum du 4 août, des informations recueillies sur le réarmement de l'Allemagne. Un tel examen risquerait d'être connu du public et serait susceptible de nuire aux conversations actuellement en cours au sujet du désarmement. Au surplus, aussi longtemps que la négociation se poursuit, il serait inopportun d'envisager la possibilité de faire application de l'article 213 du Traité de Versailles.

Le Gouvernement de la République croirait manquer à l'amitié en dissimulant au Gouvernement Royal l'extrême surprise que lui cause la décision portée à sa connaissance. Soucieux d'assurer en toute occasion la solidarité de vues des deux Gouvernements sur une question aussi importante que celle de l'application des Traités de Paix, il avait vu un réel intérêt à provoquer l'examen en commun des renseignements recueillis sur l'activité militaire que développe l'Allemagne en violation de ses obligations internationales.

Depuis que cette proposition a été formulée, la situation n'a fait que s'aggraver; l'Allemagne, après avoir rompu délibérément avec les procédures pacifiques de la Société des Nations et s'être ainsi soustraite à la possibilité de discussion de la Conférence de Genève, procède à son réarmement suivant un rythme de plus en plus accéléré et conformément à un plan dont l'exécution se poursuit régulièrement.

Le Gouvernement de la République n'estime point, pour sa part, qu'on puisse faire abstraction d'un tel état de choses sans assumer une lourde responsabilité. Ainsi que M. Paul-Boncour a eu l'occasion de le marquer dans l'échange de vues de Genève, une tolérance prolongée à l'égard des manquements de l'Allemagne rendrait de plus en plus difficile de faire accepter par le Gouvernement allemand une convention qui ne comportât point le réarmement immédiat de l'Allemagne, notamment en matière d'aviation.

C'est la situation de fait ainsi créée et non l'échange de vues discret proposé au Cabinet de Londres qui, de l'avis du Gouvernement de la République, peut constituer l'obstacle véritable au succès des négociations en cours. Les

risques d'échec sont malheureusement trop sérieux pour que l'éventualité en puisse être écartée et leurs conséquences sont trop graves pour que les Gouvernements n'aient pas le devoir de s'en préoccuper dès maintenant.

L'examen des faits constitue à cet égard un travail préliminaire indispensable. En le proposant comme il l'a fait sous toute réserve des conclusions, le Gouvernement français n'avait nullement en vue d'engager d'avance le Gouvernement britannique dans une politique déterminée; il se faisait seulement un devoir de contrôler avec lui tout élément d'appréciation. Soucieux, en ce qui le concerne, de ne rien négliger des obligations qui lui incombent en tant que cosignataire des Traités de Paix, il continuera à suivre attentivement le développement de la situation; s'il doit réserver son entière liberté d'action dans l'usage éventuel des droits qui lui sont reconnus par les conventions, il n'entend aucunement choisir dès maintenant entre diverses procédures qui lui seraient ouvertes au cas où l'échec qu'il appréhende viendrait à se vérifier.

Il se plaît à penser qu'en pareil cas, le Gouvernement britannique ne se maintiendrait pas dans l'attitude de réserve qu'il croit pouvoir observer aujourd'hui.

### No. 93

*Lord Tyrrell (Paris) to Sir J. Simon (Received December 4)*

*No. 299 Saving: Telegraphic [C 10585/245/18]*

PARIS, December 2, 1933

M. Léger drew my attention very earnestly today to the unfortunate impression created here by your note of November 27<sup>1</sup> declining to examine the French evidence of German illicit rearmament. He read to me the text of the *aide-mémoire*<sup>2</sup> which M. Corbin handed to you on December 1.

2. This question has assumed an importance here quite out of proportion to its merits. All that the French Government desire is that their evidence should be checked and they fully appreciate the reasons why we are opposed to any action on the evidence being taken at Geneva. As I understand from Brigadier Temperley that the War Office in fact concur in 90 per cent. of the French evidence, would it not be possible for the Military Attaché to be authorised to inform the Ministry of War of this large measure of concurrence and at the same time to point out any important discrepancies?

3. Such action would appease the French Government who are at a loss to understand our refusal to check the evidence and whose confidence in us may suffer at a time when, in view of present bilateral discussions, it is most important that it should be close.

<sup>1</sup> See No. 86.

<sup>2</sup> Enclosure in No. 92.

GENEVA, December 4, 1933

I lunched alone with M. Viénot today at his invitation. M. Viénot is a French Deputy, a close friend of M. Paul-Boncour, and speaks for the French delegation on the Supervision Committee.

After some general conversation, he returned to the theme of his conversation with Mr. Eden on 19th November,<sup>1</sup> namely the two conceptions of foreign policy now current in French public opinion. He then went on to say that he himself had in his day been a 'revisionist', so far as revision of the Treaty of Versailles was practical politics, and an advocate of good relations between France and Germany. But the second departure of Germany from the Conference and her withdrawal from the League had convinced him that it was out of the question now to follow that line. A disastrous mistake had been made in not maintaining the common front of the September conversations; the adoption of the bilateral method meant running after Germany; and the negative reply now at last given by His Majesty's Government to the French request for exchange of information as to German infractions of the Treaty had had a bad effect upon the Quai d'Orsay, and would have a worse effect upon public opinion if they were told about it, as it was chiefly on the strength of a continued close understanding with England that recent Governments could defend their disarmament concessions. He did not himself believe that direct Franco-German conversations could lead to any possible good result. What then was to be done? The initiative had been lost, and must be recaptured. The Germans must be met by a French policy as rough and unequivocal as their own. And public opinion in France, which was at sixes and sevens, must be seized and made to see the situation as it is.

His own idea of a possible policy, which he emphasised was merely a personal one, was as follows:—

As soon as it was reasonably clear that direct Franco-German conversations were not going to lead to any result that would square with the collective principles enshrined in the Covenant, (1) these conversations should be abruptly and officially terminated, on the ground, possibly, that they could only lead at the best to a revival of the pre-war system of alliances and balances of power.

This notice of termination should be accompanied by (2) a new French disarmament offer to Germany, which, if refused, would show the world where the responsibility for the failure of disarmament negotiations lay.

At the same time, as a means of applying the necessary pressure to Germany, completely absent at the present time, it should be intimated to the German Government that if no satisfactory disarmament settlement was

<sup>1</sup> See No. 57.

negotiated within a reasonable time (3) France would invoke Article 213 of the Treaty of Versailles.

The new disarmament offer might be on the following lines:

During the first period of, say, four years there would be not only

(i) the transformation and uniformisation of land forces, and  
(ii) an obligation not to increase armaments of the categories to be ultimately abolished, but also

(iii) the application of measures for the internationalisation of civil aviation, so that by the end of the first period military aviation would be completely abolished; and

(iv) the segregation in the hands of the League of Nations of a specified quantity of heavy armaments at the end of the second, third and fourth years, such successive batches of material to be destroyed two years after delivery to the League, the first destruction thus to take place at the end of the fourth year.

During the second period of four years, the process of segregation and destruction mentioned in (iv) above would continue, to the end that by the close of the second period there would be complete qualitative equality as between France and Germany i.e. France would possess no category of arm forbidden to Germany by the Treaty of Versailles.

The execution of this plan by all parties would be watched by a universal system of supervision, i.e. by documentary control supplemented by test inspection on the spot, as proposed by the French Delegation in the Committee on Miscellaneous Provisions.

M. Viénot has not, I think, thought out this plan in any detail. Some of the particulars given above were the result of questions from me. As we both had early engagements, there was no time for me to question him more closely.

W. STRANG

No. 95

*Sir J. Simon to Lord Tyrrell (Paris)*

*No. 1877 [C 10644/245/18]*

FOREIGN OFFICE, *December 4, 1933*

My Lord,

M. Corbin spoke to me at some length today on the subject of disarmament policy. He emphasised that the proposals made on the 14th October represented the furthest point to which the French Government could go. I told him that we fully understood the difficulties and anxieties of France in this matter; the suggestions of October had been put forward in accord with France, the United States and Italy, in the hope that they might provide a basis for general agreement. Unfortunately, this had turned out not to be the case, and it was, therefore, necessary, as a practical matter, to consider alternatives. If the French could not go further along that road, we hoped



it still might be possible to find other ways of proceeding in agreement, for we attached, as always, the greatest importance to Anglo-French co-operation.

2. The Ambassador went on to speak of the Hitler offer and of French doubts as to our attitude in regard to it in the following grave terms. The matter of his communication is of such importance that I record it in full and exact terms.

3. The Ambassador said:—

‘The main lines of the information given by Herr Hitler to M. François-Poncet, while necessitating further explanations, agree entirely with the indications given at an earlier date to Signor Mussolini and Sir Eric Phipps; they show at once in the clearest possible way that the plans of the German Government are in reality directed towards actual rearmament.

‘Germany is asking in respect of her regular army for 300,000 men to whom must without any doubt be added the irregular formations with a military character; instead of asking for a moderate number of samples of the various sorts of material which he requires the Chancellor, even if he will admit a discussion on the number of chaser [*sic*] aeroplanes, of 150-millimetre [*sic*] guns and of the tanks to be allotted to the future army of the Reich, certainly has in mind fairly high figures. Thus, for instance, the information in the possession of the French Government concerning the aviation programme of Herr Göring entitles us to suppose that the number of aeroplanes proposed would be very much nearer that of 500 than that of the fifty originally suggested.

‘As the result of these first contacts, it seems clear then that conversations between France and Germany would inevitably end in revealing a programme which, even allowing for reductions which may hereafter be made in it, should at once be recognised as a programme of immediate and substantial rearmament for the Reich. The interviews would have no useful purpose if the French Government were to take up a position at the very beginning against the very principle of such a rearmament. On the other hand, it must be clearly recognised that the continuance of the negotiations would result in our unconditional admission of that which Great Britain and the United States, in complete agreement with us, rejected categorically in September last, that is to say, an immediate and limited rearmament.

‘It is unnecessary to emphasise the gravity of this question and of the decision which must be reached by the French Government. Even upon the supposition that this initial decision were in the affirmative, and even if, at a later stage, the excessive nature of the German claims brought about the breakdown of the negotiations, it would none the less be a fact that the concessions made to Germany at the beginning could not be withdrawn. The events of the last few months show clearly how difficult it is to go backwards in this matter.

‘Direct negotiations between France and Germany are being watched with the greatest interest by the British Government, who have, in particular, expressed the wish to be kept informed of their progress. In these circum-

stances, it is permissible to suppose that they have certainly considered the effects of these negotiations upon the common obligations of Great Britain and France towards the League of Nations. In these circumstances, the French Government consider themselves entitled to request the British Government definitely to assume their share of responsibility.

'If the British Government are going to abandon the thesis of disarmament by stages, bringing about ultimately the full realisation of equality of rights between the signatories of the convention, in favour of a system which would imply the immediate rearmament of Germany, the French Government desire definitely so to be informed. It is impossible for the French Government to accept an isolated responsibility and to take an isolated decision on a point of such capital importance. The question is of fundamental importance, and it is essential that it be settled before the engagement, outside the international procedure of Geneva, of bilateral conversations, for which the French Government would have to assume the sole responsibility.

'Sincerely attached to the policy of Franco-British co-operation and anxious, so far as they are concerned, to neglect no possible line of action in regard thereto, the French Government now find it necessary to know the exact position of the British Government regarding this essential question.'

I am, &c.,

JOHN SIMON

**No. 96**

*Sir J. Simon to Sir E. Phipps (Berlin)*

*No. 235 Telegraphic [C 10527/245/18]*

FOREIGN OFFICE, *December 5, 1933, 4.20 p.m.*

Your telegram No. 271<sup>1</sup> spoke of your hoping to see the Chancellor this week: I assume that you have not yet had your interview?

We are following up our intimation that Herr Hitler's proposals were engaging our close attention and I expect to be able to send you more definite instructions on Thursday.<sup>2</sup> I hope that you can secure that the *status quo* is maintained in the meantime.

<sup>1</sup> No. 90.

<sup>2</sup> December 7.

**No. 97**

*Sir E. Phipps (Berlin) to Sir J. Simon (Received December 5, 5.0 p.m.)*

*No. 274 Telegraphic [C 10651/245/18]*

BERLIN, *December 5, 1933, 4.42 p.m.*

I was with the Chancellor for three-quarters of an hour this morning and following are essential points which emerge.

German proposal for an army of 300,000 is based on that number being considered roughly 25 per cent. of total forces of France, Poland and Czechoslovakia. Same percentage of those Powers' aeroplanes would be required

by Germany. General supervision would be accepted. German army would be on basis of one year's service with a certain percentage of long-term officers, non-commissioned officers and technical instructors. Chancellor would not indicate what that percentage was.

By 'highly armed' Powers Chancellor only means France, Poland and Czechoslovakia. Not only would Great Britain not be included in stand-still agreement but he would welcome considerable additions to British fleet and air force. If all submarines could be abolished Germany would be delighted. Chancellor repeated that never would Germany dream of competing against England at sea but he would like a few big ships after 1935.

I enquired what assurances Chancellor thought he could give the French in regard to their security. He replied that he would be glad if England and France made a defensive alliance. I pointed out that this would not be favourably viewed by British public opinion. The Chancellor then said that he would suggest that all the principal European Powers including Germany, France, Czechoslovakia, Poland, etc., should conclude a comprehensive series of bilateral non-aggression pacts to ensure complete peace of Europe for, say, ten years after which situation could be renewed<sup>1</sup> again. Any aggressor would have the world against him. Surely, he said, this would give France the security she needed.

Chancellor does not believe that present French Government is strong enough to reach any comprehensive arrangement with Germany but he thinks that if Great Britain and Italy urge on France advisability of concluding some arrangement on above basis it would be a great help.

I opened by delivering your message which I had already given to Baron von Neurath. Latter was again present at today's interview, and expressed particular satisfaction of [*sic*] the three alternatives mentioned by Mr. Baldwin in House of Commons the other day.<sup>2</sup>

Repeated to Rome.

<sup>1</sup> In a later copy of this telegram this word read 'reviewed'.

<sup>2</sup> On November 27 Mr. Baldwin suggested that there were three possible ends to the disarmament discussions: (i) a disarmament of all countries to the level of existing German armaments; (ii) a limitation of armaments at a point which excluded all large offensive weapons; or (iii) competition in armaments. See Parl. Deb., 5th ser., H. of C., vol. 283, cols. 650-1.

## No. 98

*Sir E. Phipps (Berlin) to Sir J. Simon (Received December 5, 7.0 p.m.)*

*No. 275 Telegraphic [C 10648/245/18]*

BERLIN, December 5, 1933, 6.17 p.m.

My immediately preceding telegram.<sup>1</sup>

I do not wish to seek to hasten unduly any decision that His Majesty's Government may reach but Chancellor's offer seems one calculated to

<sup>1</sup> No. 97.

impress general public in many countries as highly reasonable despite very large measure of German rearmament that it implies. If therefore we unduly delay with an answer the dynamic Chancellor may well repeat it in stentorian tones in a press interview or even broadcast it and place us all at a tactical disadvantage. If we wish to reduce his figures we should quickly say so if not the 300,000 may well become crystallized as an irreducible German minimum.

In return for such a reduction French would presumably have to be forthcoming over the Saar. I should strongly deprecate any division of that territory as being likely to constitute an Alsace-Lorraine for the future. French Ambassador agrees with me but is considered a traitor by such reactionaries as M. Bérenger and M. Barthou who maintain that His Excellency should have risen from his chair when Chancellor proposed to settle that matter before and without a plebiscite.

Repeated to Rome.

No. 99

*Sir E. Phipps (Berlin) to Sir J. Simon (Received December 8)*

*No. 1217 [C 10739/245/18]*

BERLIN, December 5, 1933

Sir,

As I had the honour to report to you by telegraph,<sup>1</sup> I was received this morning by the Chancellor and spent three-quarters of an hour with him.

2. I opened the conversation by telling Herr Hitler, as I had already told Baron von Neurath, who was again present during this interview, that, as would have been gathered from your speech in the House of Commons on the 24th November last,<sup>2</sup> His Majesty's Government had been taking attentive note of the communication made to me by him on the 24th October and were giving it careful consideration. The drawback to that proposal was, however, that it seemed to involve substantial German rearmament instead of disarmament, and this was an aspect of the matter which gave His Majesty's Government much concern. I then drew the Chancellor's special attention to the observations you had made in the House regarding German assurances that the only desire of the German Government was for peace. I added that whilst His Majesty's Government valued such declarations, they felt that the necessary basis of world confidence, upon which a regulation of armaments must so largely rest, would be greatly strengthened if a way could be found for giving those utterances more concrete shape. That was partly why His Majesty's Government had told the French that if they felt that they could agree to get into closer communication with the German Government, they had the complete goodwill of His Majesty's Government in so doing.

<sup>1</sup> See No. 97.

<sup>2</sup> See No. 75, note 2.

3. I then asked the Chancellor what hope he had of reaching an agreement with France, and in what way he contemplated allaying French fears regarding their security. Herr Hitler's eyes here became glazed, the British Ambassador faded away and was replaced by hordes of faithful and enthusiastic S.A. and S.S. troops, to whom, rather than to me, the torrent of words was addressed, of which the following was the gist.

4. He was not ashamed of Germany's defeat after fighting the world. That defeat, moreover, had been finally accomplished by the action of traitors at home and not disaster in the field. With those traitors he had now dealt in a ruthless and satisfactory way (Herr Hitler here made a somewhat sinister movement of the hand as though cutting off some noxious excrescence). For weeks and months he had been trying in vain to discover what really the French meant by the word 'security'. They had during the last few years constructed an absolutely impregnable system of fortifications all along their eastern frontier, such a system as was unknown even in the Great War. In order to have the slightest chance of breaking through those fortifications Germany would have to possess large quantities of the very heaviest guns, and even then her chances of success would be remote, and she would have to sacrifice numberless German lives in the attempt. On the other hand, Germany's frontier was completely undefended, and, as things were at present, the French could walk into the country whenever they liked. Indeed, there was a very real danger of some future weak French Government deciding to embark on a policy of foreign adventure in order to divert attention from its weakness at home, and to proceed to the occupation of the left bank of the Rhine. This was an intolerable situation for Germany, who was thereby placed in the position of being eternally considered to be a second-class Power. She must also be in a position to throw her weight into the scales at some future time, and, in this connexion, might not Great Britain herself be glad of other alternatives to her present friendships? ('Des amitiés de rechange', in other words.) During a short pause in this outburst I managed to return into Herr Hitler's range of vision, and to remark that the French, so far as I was aware, did not fear a frontal attack on them by Germany. It was rather to the East that they looked anxiously, towards Poland and, in particular of late, towards Czechoslovakia. The Chancellor remarked that it was for that very reason that he was in course of improving the relations between Germany and Poland. Marshal Pilsudski, he said, had shown himself to be singularly reasonable, and to be possessed of discrimination and farsightedness. He was, however, an old man and only human, and might disappear. In that case the French situation might be reproduced in Poland, where, again, a weak Polish Government might seek, by a policy of foreign adventure, to enhance its shaken prestige, for instance, by overrunning East Prussia. If France wanted more security than she had at present, why not conclude a Franco-British defensive alliance, to which he would have no objection whatever? I replied that British public opinion would not permit of the conclusion of such an instrument. Could not France be given security by some other means? It was at this point that the Chancellor burst out that

he would be ready to conclude pacts of non-aggression with all his neighbours for the space of ten years, during which any resort to force would be completely eliminated. A network of such pacts should be concluded. Then Germany, if she were the aggressor, would have the world against her. At the end of ten years the position could be reviewed in the light of then existing circumstances. Would this not satisfy French requirements?

5. In the course of our conversation I elicited from the Chancellor that his proposal for a short-term army of 300,000 men was based on the fact that that number is considered to represent roughly 25 per cent. of the total forces of France, Poland and Czechoslovakia. Germany would require an air force of approximately the same percentage of the joint air forces of those three Powers. Herr Hitler would willingly agree to general supervision. The German army would be on a basis of one year's service, with a certain percentage of long-term officers, N.C.O.'s and technical instructors (drawn, presumably, from the existing Reichswehr). I tried to elicit that percentage, but here the Chancellor for once was 'boutonné', and remarked that that was a technical question which must be decided at a later date by experts.

6. I enquired what exactly the Chancellor had meant when he had suggested to me in my previous interview that the 'highly armed' Powers should be bound by a species of 'stillstand' agreement to their present armaments. Herr Hitler replied that he had only had in mind France, Poland and Czechoslovakia. So far as Great Britain was concerned, not only should she not be included in any such standstill agreement, but he would even welcome considerable additions to the British fleet and air force.

7. On the naval side, I remarked that we had often proposed the total abolition of submarines, to which Herr Hitler replied that Germany also would be delighted if submarines could be abolished. He then repeated what General von Blomberg had already told me (see my despatch No. 1168<sup>3</sup> of the 22nd November), that Germany would never dream of competing against England at sea, but that he would like a few ('ein paar') big ships after 1935, until which date she would remain within the limits prescribed by the treaty.

8. The Chancellor declared that he did not believe the present French Government was strong enough to reach any satisfactory comprehensive arrangement with Germany. I thereupon asked what procedure he would favour in order to reach some agreement. He replied that if Great Britain and Italy would urge upon France the advisability of concluding an arrangement, at any rate on the basis outlined above, it might induce the French Government to take the necessary decision. Herr Hitler finally expressed satisfaction at Mr. Baldwin's speech on the 27th November, and in particular at the three alternatives mentioned by him.<sup>4</sup>

9. The Chancellor, even when frenzied, was friendly. Baron von Neurath again maintained silence, which he only broke once in order to assure us that Italy's balance of trade with Russia was passive (see my telegram No. 107 Saving<sup>5</sup> of today's date).

<sup>3</sup> No. 67.

<sup>4</sup> See No. 97, note 2.

<sup>5</sup> Not printed.

10. I am sending copies of this despatch by bag to His Majesty's Ambassadors at Paris and Rome.

I have, &c.,  
ERIC PHIPPS

No. 100

*Sir W. Selby (Vienna) to Sir J. Simon (Received December 11)*

*No. 327 [C 10818/2092/3]*

VIENNA, December 5, 1933

Sir,

I visited the Chancellor this morning on the occasion of his fortnightly reception of the Diplomatic Corps.

2. After thanking him for the hospitality which he had extended to me over the week end, during which he had invited me to a chamois shoot, I asked him whether there was any new development in the situation likely to interest His Majesty's Government.

3. The Chancellor said that the latest declaration of Herr Hitler as regards Austria at Nürnberg<sup>1</sup> had come as somewhat of a shock to him, as it seemed to indicate that Herr Hitler had once again hardened as regards Austria, and wished for no accommodation with the Government of the Chancellor except on his own conditions. The Chancellor was referring to the speech delivered on the 27th ultimo at Nürnberg by Herr Hitler, on the occasion of the funeral of the Reichswehr soldier shot by the Austrian frontier guards, in the course of which Herr Hitler said among other things that if the Austrians were able to give their free vote, 'they would solemnly renounce the murderers and their principles'.

4. The Chancellor said that his fear was that Herr Hitler was now manœuvring to compose his difficulties with the other Powers in such a way as to exclude the problem of Austria from the discussion, and thereby leave the way open for the success for his policy in Austria from which Herr Hitler hoped so much both for internal and external political reasons. The Chancellor emphasised the enormous accession of strength throughout Central Europe which would accrue to Germany were Germany to succeed consistently with the aims of Herr Hitler in extending her authority to Pressburg. The Chancellor went on to express a certain apprehension as regards the attitude of the Powers towards the Austrian problem, and said he could not avoid voicing his fear lest Austria should be made the pawn in the negotiations which were now proceeding between the Western Powers and Germany, in other words, lest Austria should be sacrificed by one or other of the Powers as the price of reaching an accommodation with Germany of their own difficulties. He said he felt less anxiety in this respect as regards His Majesty's Government than as regards France. I intervened at this point to say that

<sup>1</sup> See No. 88.

His Majesty's Government had made it plain that they approved his conditions for an accommodation with Germany, namely, the recognition of the independence of Austria and no interference in the internal affairs of Austria, and I had no reason to think this attitude would be modified. The Chancellor said he was fully aware of this point of view of His Majesty's Government, but as regards France he indicated he felt less certain. Under pressure of the necessity to settle her own difficulties with Germany, France might feel compelled to sacrifice Austria. I told the Chancellor I should be surprised if that were indeed the attitude of France, but I recommended him to say to my French colleague exactly what he had said to me, and in identical terms. He promised me to do so.

5. At this point of the conversation the Chancellor seemed to hesitate. I begged him to be perfectly frank with me and tell me exactly what was in his mind. After some further deliberation he explained to me that were it to become clear that the Powers who could alone afford him the necessary support in the struggle for the independence of Austria in which he was engaged with Hitlerite Germany, had disinterested themselves in the fate of Austria, while he would endeavour to maintain his struggle to the last, circumstances might compel him to take such steps as might be necessary to cover his retreat ('Rückendeckung nehmen').

6. The Chancellor proceeded to tell me that the Head of the Economic Section of the Austrian Foreign Office, Dr. Schüller, was now in Rome with the object of completing with the Italian Government the negotiations for the use of Trieste as a port for Austrian trade. He hoped that these negotiations with Italy would be brought to a successful conclusion, as one of the results might be to increase the possibilities of trade with England. He said he understood that negotiations for the disposal of Austrian timber in England were still proceeding, but that up to the present, so far as he was aware, no definite results had been achieved. The Chancellor went on to say that he was disappointed at the progress of the negotiations for the economic relief of Austria. While the Powers had been profuse in protestations of friendship for Austria and support for the cause for which he was fighting, concrete evidence of this friendship and support had not been forthcoming. He made it clear to me that in his view such concrete evidence was essential—and he said this with no suggestion of recrimination, as he was only too well aware of the difficulties of the Powers—if his position were to be consolidated and if he were to be enabled to continue his struggle with any prospect of success. His own difficulties as regards the Nazi movement in Austria increased in the measure that he was unable to show that the support for the cause for which he was fighting, which had been so vociferously proclaimed, was being interpreted in the form of concrete and effective assistance.

7. Referring to the negotiations now proceeding with his neighbour, Czechoslovakia, the Chancellor said they were making no progress. All that the Czechoslovak Government did was to present to him long lists of their own demands. He was at a complete loss to understand the outlook of the Czechoslovak Government, when so much was involved for them in the



maintenance of Austrian independence. 'Had', asked the Chancellor, 'France lost all her influence in Prague?'

8. As regards His Majesty's Government the Chancellor said he perfectly understood all the difficulties with which they were confronted as regards granting anything in the nature of special preferences to Austria having regard to their commitments to the Dominions,<sup>2</sup> but he still hoped to find a way to surmount this difficulty, and said that Dr. Schüller on his return from Rome would submit to me certain suggestions which he thought should result, if agreed to by His Majesty's Government, in improving the trade between the two countries, and would avoid complications for His Majesty's Government as regards their inter-Imperial arrangements. The Chancellor was insistent as regards his anxiety to develop the relations of Austria with the 'world power' of England.

9. I told the Chancellor that I would report what he had said to His Majesty's Government, who, I felt sure, would be ready to examine with sympathy any proposals he might have to put forward.

10. I submit, Sir, that this conversation with the Chancellor merits your most serious attention, as it emphasises as the Chancellor's own point of view, contentions which for some time past I have endeavoured to bring to your notice from this Mission. Firstly, that without the continued support of the Powers, particularly France and England in combination, Chancellor Dollfuss could not hope indefinitely to withstand the pressure upon him of Hitlerite Germany; and secondly, that effective economic help must by some means be made available to him, if he was to consolidate his position in Austria and to be enabled successfully to resist Herr Hitler.

11. The Chancellor did not at any moment of the conversation suggest that he was in any immediate need, for he told me he thought that for the time being his position in Austria had been slightly strengthened, but his unquestioned anxiety as regards the future, and in particular as regards the intentions of the Western Powers, is such as to give the Governments concerned adequate warning that in certain contingencies it is not Chancellor Dollfuss and those who now support him in Austria in his struggle with Germany who will be able to prevent the extension of direct German influence to Pressburg, with all that such extension may involve for the Powers interested in the maintenance of the peace of Europe.

I have, &c.,

W. SELBY

<sup>2</sup> At this point on the file copy of this despatch Mr. Sargent and Mr. Perowne minuted respectively as follows: 'It is not the Dominions, but our own protected home industries which stand in the way of our giving any facilities to Austrian exports. O.G.S.' 'But where *timber* is concerned, it is the Dominions—Canada—who in virtue of Ottawa prevent preferences to Austria. J.V.P.'

No. 101

*Sir E. Phipps (Berlin) to Sir J. Simon (Received December 6, 12.50 p.m.)*

*No. 276 Telegraphic [C 10675/245/18]*

BERLIN, December 6, 1933, 12.20 p.m.

French Ambassador tells me that he was perturbed at inclusion on December 1 of Captain Röhm head of S.A. once [sic] in the Cabinet (see my despatch 1203<sup>1</sup> December 4). He therefore informed Secretary of State of his fear that this might be held to indicate conferment of an official status on S.A. and S.S. and asked whether some arrangement could not be reached such as was contemplated at Geneva whereby semi-military formations in all countries should be bound by strict regulations regarding training exercises, hours of attendance, prohibition to live in barracks etc. Somewhat to the surprise of French Ambassador Herr von Bülow seemed to think some such arrangement would be quite agreeable to Germans and even to Röhm himself.

Above taken in conjunction with Chancellor's suggestion to me yesterday would seem to indicate that he has taken fright and really desires a comprehensive settlement. This view seems the more likely in that the Chancellor yesterday expressed to me fear that some weak French Government might be tempted against a helpless Germany to occupy the left bank of the Rhine. Whilst Hitler was speaking I was tempted to regard his fear as simulated. It may however be genuine in view of possible return to office of M. Herriot—that 'mouton enragé'—whose fear of Germany might lead him to take some violent action which would impair Hitler's prestige or even possibly cause his downfall.

Repeated to Rome.

<sup>1</sup> Not printed. This despatch reported the juridical incorporation of the National Socialist Party in the German State. At the same time Herren Hess and Röhm were made Ministers without portfolio.

No. 102

*Sir E. Phipps (Berlin) to Sir J. Simon (Received December 6, 1.15 p.m.)*

*No. 277 Telegraphic [C 10655/245/18]*

BERLIN, December 6, 1933, 1.20 p.m.

I have informed my French and Italian colleagues of such features of Chancellor's proposals as concern their respective countries. They are both attracted by them.

French Ambassador hopes that His Majesty's Government in the United Kingdom will urge Paris seriously to consider proposals as a basis for negotiation.

Repeated to Rome.

No. 103

*Lord Tyrrell (Paris) to Sir J. Simon (Received December 8)*

*No. 1687 [C 10740/245/18]*

PARIS, December 6, 1933

His Majesty's Representative at Paris presents his compliments to the Secretary of State for Foreign Affairs, and has the honour to transmit to him copy of report (Serial No. 19) from His Majesty's Military Attaché at this Embassy respecting a conversation with the head of the Deuxième Bureau at the Ministry for War on the progress in German rearmament and Germany's readiness for war.

ENCLOSURE IN NO. 103

*Colonel Heywood to Lord Tyrrell*

No. 1062 (3/K)

PARIS, December 4, 1933

My Lord,

I have the honour to report to Your Excellency that I had on Saturday morning a very interesting conversation of one and a half hours' duration with Colonel Koeltz, the head of the Deuxième Bureau at the War Ministry, on the question of the progress in German rearmament and Germany's readiness for war.

2. I told Colonel Koeltz that I should be very grateful if he could tell me what he really thought about the present state of progress in German rearmament; he would recollect that, in the course of our conversation on the 19th October,<sup>1</sup> he had given me certain general figures, and he doubtless knew that I had seen General Gamelin on the 24th October,<sup>2</sup> when the latter had also given me some very interesting information on the same question, since then, however, M. Mandel had made a speech in the Chamber of Deputies which had created some stir. I had studied this speech with care and in detail; the impression it created was one of a more advanced state of readiness to wage war on the part of Germany than the impression I had derived from my recent conversations with him and General Gamelin. M. Mandel had also mentioned several figures which, he claimed, were in possession of the Government, and, reading between the lines, one could almost assume that a great deal of his information was derived from a semi-official, if not from official, sources.

3. Colonel Koeltz replied that he had not read the full text of M. Mandel's speech in the 'Journal Officiel', but only some extracts given in the press; it must be remembered that M. Mandel was a politician and not a technician; if he, Colonel Koeltz and I were to prepare a short notice on either the French, the British or the German army and issue it to some politicians or journalists, I should be surprised at the varied versions they would produce. There would certainly be some mistakes on technical points, and the impressions left by their statements would vary with the effect they wished to

<sup>1</sup> Not printed.

<sup>2</sup> See Volume V of this Series, Enclosure in No. 508.

produce; for they generally used facts to bolster up their theories, or pre-conceived notions, whereas we had to consider facts first, and see what sort of pictures these facts combined to make. He could assure me, however, that M. Mandel had not obtained any of his information from the Deuxième Bureau, but he knew his sources of information; he could tell me in confidence that M. Mandel worked in close co-operation with two Senators, General Bourgeois, president of the Senate Army Commission, and M. Eccard who were Senators for Alsace and had many connexions with Alsatians who themselves had many connexions in Germany. These three formed a kind of private Deuxième Bureau of their own. M. Mandel had also collated various statements which had been published in the press, both German and French, and it was possible also that some of his information had been obtained from the Cabinet du Ministre, as at various times the General Staff prepared memoranda for the use of the War Minister; these went into the Minister's Cabinet and as a rule the General Staff never saw them again. The Minister often put them in his pocket, ministries changed frequently and he could not say what use was made of their information. In the one case where M. Mandel quoted M. de Marcé, the latter had been supplied with information and had received help from the Deuxième Bureau several years ago.

4. Colonel Koeltz asked me what figures had been given to me by General Gamelin, and pointed out that, whilst more precise, they tallied with what he himself had told me. He added that he was very glad to hear that General Gamelin had opened up so much to me the other day, and in view of this he now felt himself authorised to discuss this question in more detail with me, but he requested earnestly that any information he gave me should be considered as secret, and on no account be allowed to pass to the press, British or French, or to the German General Staff! I assured him that he need have no fears on that score.

5. We then went through each point in M. Mandel's speech in detail:—

### *Effectives*

(a) M. Mandel, quoting von [sic] Röhm, the Chief of Staff of the Nazi organisations, stated that these were organised in eighteen divisions, fifty-nine brigades, and some large motor transport units, amounting to a total of 800,000 or 900,000 men, equipped in part with the latest weapons, and thus forming a semi-permanent force double the French Metropolitan Army.

Colonel Koeltz pointed out that, although to the technician the employment of the terms 'division' and 'brigade' gave the impression of formations organised for war, these terms did not have that meaning in this case. For the moment they were really the sub-divisions of the Nazi organisation and a translation of the terms employed by the Nazis themselves for these formations, which were more in the nature of territorial sub-divisions for purposes of recruiting and affiliation to Reichswehr units. He presumed that M. Mandel's statement, that they formed a semi-permanent force double the French Metropolitan Army, was based on the fact that these men kept their

uniforms at home, paraded regularly once a week, were always available at short notice, and formed a force rather similar to the British Territorial Army. The French trained reserves could not be compared, as they were only called up for very few periods of training at long intervals, and had to be completely clothed and equipped when called up.

#### *Aircraft Production*

(b) Colonel Koeltz did not agree that the eighteen aircraft factories mentioned by M. Mandel were now working at full speed. Their activity had greatly increased, but had not yet reached that stage. He agreed with M. Mandel that if German aircraft factories started work at full speed, that is to say, on the scale equivalent to that on which they would work on mobilisation, they could very quickly reach a production of 2,500 machines a month, and could, therefore, by June 1934 (i.e., eight months after M. Mandel's speech) produce a considerable air fleet.

#### *Armament Expenditure*

(c) M. Mandel quoted M. de Marcé as his authority for his statement that Germany could have obtained a certain number of machine guns, guns and mortars since 1931 if she had made use of the credits at her disposal for that purpose. M. de Marcé, who was an expert of the Cours des Comptes and a member of the Conseil Supérieur des Statistiques, had some time ago made a very deep and detailed study of German budgets. He had then been given a good deal of assistance by the Deuxième Bureau; he had published a very large work in 1931 called 'Le Contrôle des Finances en France et à l'Étranger'; he had also had printed for private circulation a pamphlet which contained a critical study of the expenditure on armaments in the German budget for the years 1924 to 1929, in which he had worked out the number of weapons and the amount of ammunition, surplus to the amounts allowed by the treaty, which Germany could have obtained with the credits officially voted for that purpose. M. de Marcé had used, as the basis for his calculations, cost prices and the prices of upkeep of the different weapons which were in force in the French army. He had not taken the official German cost prices and cost of upkeep, as he considered them to be purposely exaggerated; but even if the official German prices were taken, it could be shown that the Reichswehr had had the money available to purchase a very large number of surplus weapons and considerable stocks of ammunition.

Colonel Koeltz added that in this connexion a detailed study of the German budgets was very illuminating. He then sent for Lieut.-Colonel de Mierry, the former French Assistant Military Attaché in Berlin, who has made a special study of the German budgets for a series of years, and they showed me the French General Staff memorandum on the German budget which is prepared every year in the form of a secret document. I was shown the memoranda for the past four years, and they pointed out how regularly excessive amounts had been voted in the chapter which dealt with armaments.

### *Imports of Raw Material*

(d) Colonel Koeltz suggested that, whilst it was quite possible that the figures for the increases in imports in the year 1933 as compared with the year 1932 might not be so great when compared with the years 1928-29, the question of sales should be studied, and it would be seen that the increase in sales did not compare with the increase in imports; this, therefore, left a surplus of raw materials available for building up stocks.

### *Factories*

(e) As regards factories, all their information had been communicated to us in their dossier last summer; since then their information was that the activity in the various factories had increased, but their information was insufficient to enable him to state the degree of this increase. He remarked that the British War Office must be as well informed as the French on the state of factory activity, particularly as regards Rheinmetall, which, as I was probably aware, had recently been visited by the British Military Attaché from Berlin.

As regards M. Mandel's statement that Krupps were manufacturing a silent 77-mm. gun, they had no information to this effect. As regards the Daimler and Bussing factories, they had definite information that armoured cars were being manufactured by Daimler, but they had no definite information regarding the manufacture of tanks, although they suspected that some were being manufactured by Bussing.

In answer to a question from me he replied that, whilst German factories had already installed and were busy installing all the plant necessary for the production of arms and munitions on a large scale, they definitely were not working on a 'preparation for war' scale.

### *Mobilisation*

(f) Colonel Koeltz did not agree with M. Mandel's final statement that Germany was now in a position to mobilise forty-five divisions fully equipped and organised for war in less than five days.

6. According to the French General Staff's information the German General Staff were working on a systematic plan in three stages:—

(a) *Stage I.* By January 1934 Germany would be in a position to mobilise—

Twenty to twenty-five infantry divisions fully equipped with artillery, on the following scale:—

	<i>Guns and howitzers</i>
Three groups of field artillery . . . . .	36
One group of medium artillery consisting of—	
1 battery 105-mm. guns . . . . .	4
2 batteries 150-mm. howitzers . . . . .	8
Total . . . . .	<hr/> 48

Four to five cavalry divisions, each with two groups of field artillery which might include some 105-mm. guns . . . . .	Total	24
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One or two mechanised formations (Verband).

Forty to fifty Grenzschutz divisions.

Two-thirds of these would have one group of field artillery (three or four batteries) per division, and the other third would probably have no artillery at present.

- (b) *Stage II*. They estimated that in two years' time, or perhaps by the summer of 1935, Germany would be able to mobilise—

Forty to fifty infantry divisions.

The remainder as above.

- (c) *Stage III*. In 1938 Germany would be able to mobilise—

Sixty to seventy infantry divisions.

The remainder as above.

7. As regards *Stage I*, I pointed out the slight discrepancies between the figures he had now given me and those mentioned by General Gamelin (*vide* my despatch No. 914 (3/K)<sup>3</sup> of the 25th October, 1933). Colonel Koeltz said that their latest information had made him waver a little from the formula of the strict triplication of the existing Reichsheer, some extra formations were talked of or were possibly in process of organisation in the thickly populated area round Berlin in which the old Guard Corps used to be stationed. As regards Grenzschutz, his figures were later than those given me by General Gamelin.

As regards medium artillery, his latest information was that it would be available for twenty-one divisions.

8. As regards *Stage II*, I pointed out that the provision of artillery and equipment for forty to fifty divisions by the summer of 1935 must involve considerable activity in the factories and great expenditure; to this he replied that—

As regards equipment and uniform, the whole of the equipment and uniform for the Nazis would be ready by the spring of 1934, when the new and more military uniform was to be issued.

As regards artillery, he suggested that we should work out the problem together with pencil and paper.

I attach a copy of the calculations which he made. These, incidentally, give the organisation which Colonel Koeltz considers will be adopted by the German army.

He worked out that to complete the artillery of an army of forty-two divisions organised in fourteen army corps and six armies, 3,000 additional guns would be required, which would mean that only 150 guns a month would have to be turned out for a period of twenty-four months; this, he

<sup>3</sup> See note 2 to Enclosure 1 in No. 48 above.

asserted, German armament factories could do very easily without attracting attention by any undue activity.

As regards cost, he suggested that I should ask the War Office to work out the cost of a complete German division, including its armament, equipment and clothing, and that I would find that the financial effort required, even if spread only over two years, was not beyond the possibilities of Germany, even if the calculations were based on the British figures for costs of armament, equipment and clothing, which were generally higher than the German or French costs, owing to better quality. It must be remembered that there was now no parliamentary control in Germany, the budgets were no longer going to be published, and that Hitler could obtain considerable sacrifices from the German people merely by saying that they were necessary for the honour and security of the country.

9. He added that striking confirmation of the triplication of the Reichsheer theory had just been afforded by the German Government in their recent proposal to the French Ambassador in Berlin, which he knew had been communicated to us, that the German army should be allowed to have a strength of 300,000 men, that is, three times the present nominal strength of the Reichsheer. He was convinced that these twenty-one divisions existed now in a camouflaged state, that the only reason they were not brought out into the open was that the German Government still wished to 'ménager' Sir John Simon and Mr. Henderson, and that they did not wish to prejudice any possible negotiations or conversations which might give an agreed legal status to this army; but once the figure was agreed to, or should the conversations break down, we should see the complete twenty-one divisions appear, already formed, as if by magic.

10. I also asked him incidentally if he had any information as to what became of the German general and other officers whose age limit for retirement was so low: he said that, on retirement, these general and other officers were appointed to the command and staffs of the Grenzschutz divisions; there was no age limit for these appointments, but, according to the old German system, they were kept on as long as they were physically and mentally fit.

### *Conclusions*

11. It is evident from the above conversation that the French General Staff agree, on the whole, with the various figures mentioned by M. Mandel in his speech, although the conclusions they draw from these figures differ in various aspects, and particularly in regard to their estimate of the activity of factories and of the force which Germany is in a position to mobilise now:—

- (a) In respect to factories, although they do not consider that German factories are now working on a 'production for war scale', they do consider that the German industrial position will shortly be such as to enable Germany to start the manufacture of armament and war material of all kinds on that scale.
- (b) With regard to mobilisation, they consider that Germany possesses the



men, the equipment and the organisation necessary to mobilise in the spring of 1934 an army organised into seven army corps, comprising twenty-one infantry divisions, with their complete allotment of divisional artillery, but with no, or practically no, army artillery—

Four or five cavalry divisions with a small allotment of artillery.

One or two mechanised formations.

Forty to fifty Grenzschutz divisions, of which two-thirds would have a very small allotment of artillery and the other third practically none at all.

12. Further, the French General Staff estimate that the German General Staff are working on a systematic plan by stages which will enable Germany in two years' time, or even perhaps by the summer of 1935, to increase its infantry divisions to at least forty-two, organised in six armies and fourteen army corps, complete with army, corps and divisional artillery, whilst by 1938 Germany would be able to mobilise an additional twenty to twenty-five infantry divisions, with a corresponding increase in higher formations.

The French General Staff also appear to consider that the artillery and other material required for this army can be produced without German industry having to work at war-time pressure.

13. In short, the French General Staff estimate that by 1938 Germany will have recruited a powerful army approximately equal to the French Metropolitan Army in the number of its divisions, superior in numbers owing to the additional Grenzschutz divisions, and the larger supply of men which can be drawn from its larger population, superior in its armament as it will all be new and of later pattern than the French, superior in the ability of its mobilised industry to maintain this army in the field in case of war, not to mention its probable superiority in aircraft and in chemical warfare. In fact an army far more powerful than the German army of 1914.

14. I am unable to inform Your Excellency how this estimate by the French General Staff compares with that of our own General Staff, nor have I any data available which would enable me to criticise it, but it must be remembered that the French at the beginning of the last century under-estimated the capacity of Prussia to rearm and resuscitate its army after the latter had been crushed at Jena, whilst at the beginning of the present century they again under-estimated the number of fighting formations which the German Empire could put into the field. The French General Staff have not forgotten their lessons, and it may safely be assumed that their latest estimate does not err on the side of under-estimation. Yet after making due allowance for the margin of safety which an intelligence staff must include in its estimates, one is left with the impression that by 1938, with almost incredible speed, the German General Staff will have built up and will hold at the disposal of whatever Government is in power in Germany a practically unequalled instrument of force, wherewith to support its policy.

I have, &c.,

T. G. J. HEYWOOD,  
Colonel, G. S., *Military Attaché*.

# APPENDIX 'A' TO ENCLOSURE IN NO. 103

## *Calculations re German Artillery Armament*

To arrive at the number of guns required to equip an army consisting of:—

6 armies,  
14 army corps,  
42 infantry divisions,

of which the artillery for:—

7 army corps,  
21 infantry divisions,

already exists.

2.—21 infantry divisions at 50 guns each <sup>1</sup>	.	.	.	.	1,050
7 army corps (each with 1 regiment of 50 guns)	.	.	.	.	350
6 armies, each with—					
1 regiment (mixed 77 mm. and 105 mm. guns).					
1 „ (150 mm. howitzers).					
1 „ (mixed 105 mm. and 130 mm. guns).					
1 „ (210 mm. howitzers).					
4 regiments, each of 50 guns = 200.					
At 200 guns per army	.	.	.	.	1,200

### Anti-aircraft artillery—

1 group per army corps	.	.	.	.	14 groups.
1 regiment per army	.	.	.	.	18 „
Total	.	.	.	.	32 „
32 groups × 12 guns	.	.	.	.	384
Total	.	.	.	.	2,984
(Say)	.	.	.	.	3,000

which gives an output of 150 guns per month over a period of two years.

3. Colonel Koeltz assumed that the fourteen army corps would be grouped into six armies, viz:—

2 on the eastern frontier.  
1 on the southern frontier.  
2 on the western frontier.  
1 in Central Germany.

<sup>1</sup> *Note in original:* The exact number is 48 guns per division. 50 has been taken to facilitate calculations.

No. 104

*Sir E. Phipps (Berlin) to Sir J. Simon (Received December 7, 5.25 p.m.)*  
*No. 280 Telegraphic [C 10697/245/18]*

BERLIN, December 7, 1933, 5.7 p.m.

French Ambassador has been instructed to inform Chancellor that suggested German rearmament causes gravest concern to French Government. He will add that Saar plebiscite must take place in 1935.  
Repeated to Rome.

No. 105

*Sir J. Simon to Sir E. Phipps (Berlin)*  
*No. 238 Telegraphic [C 10741/245/18]*

FOREIGN OFFICE, December 7, 1933, 6.15 p.m.

My telegram No. 230<sup>1</sup> and your telegrams Nos. 97,<sup>2</sup> 98<sup>3</sup> and 99 Saving<sup>4</sup> and Nos. 269,<sup>5</sup> 274<sup>6</sup> and 275.<sup>7</sup>

You should seek the earliest opportunity for seeing the Chancellor again, informing him that you are now in a position to tell him that His Majesty's Government have given careful consideration to his proposals and desire to convey to him their preliminary impressions.

These proposals have two aspects, one concerned with the limitation of armaments and the other with the wider field of political appeasement. I will deal first with the second of these aspects, to which His Majesty's Government attach the utmost importance.

His Majesty's Government entirely agree with what would seem to be the Chancellor's view, namely that the achievement of a disarmament agreement would be immensely facilitated if it were accompanied by political assurances calculated to improve and consolidate good relations between Germany and her neighbours. The question then arises how this can best be achieved? We should be interested to have further details as regards precise terms and form of the non-aggression pacts which the Chancellor has in view. Needless to say, members of the League cannot enter into any such arrangement as would be inconsistent with their obligations under the Covenant. The list of countries with whom Germany would negotiate such pacts as given in your telegram does not include all the limitrophe States. We presume, however, that these would be included.

Turning to the part of the Chancellor's proposals which is concerned with technical questions of armed strength, we would first make two observations.

Our final conclusions as to various items and figures could naturally only be reached as the result of completing the consultations between different

<sup>1</sup> No. 77.

<sup>2</sup> No. 79.

<sup>3</sup> No. 80.

<sup>4</sup> No. 81.

<sup>5</sup> Not printed. See No. 89, note 1.

<sup>6</sup> No. 97.

<sup>7</sup> No. 98.

Powers in which Germany herself is taking part. Secondly, world opinion will compare these proposals with those contained in the Draft Convention to which Germany, in common with other Powers, gave her adherence in principle, on its first reading.

In the light of the above reflections, you should point out that the proposed increase from 200,000 to so large a total as 300,000 will certainly be considered excessive, while the suggestions in respect of guns and aircraft also look very formidable. We should like it to be quite clear that the S.A. and S.S. would be absorbed in the new army and would not continue to exist as supplementary organisations. Again, while we assume that the Reichswehr will disappear as such, it would be helpful if the Chancellor would confirm this. His Majesty's Government are glad to note that the Chancellor's proposals would include general supervision, but it would tend to clearness if it were made plain that this supervision is of the kind usually described as periodic and automatic. Other Governments may, of course, have other observations to make or elucidations to request, and our own observations are not intended to be exhaustive.

His Majesty's Government earnestly desire to use the present opportunity to hammer out without delay, in co-operation with Germany and other States, a practical basis for agreement for limitation of world armaments, freely entered into by all parties. The enquiries they have addressed through you to the Chancellor will, they hope, be found helpful in the pursuit of this common task.

Repeated to Paris, Rome and Washington.

#### No. 106

*Sir W. Selby (Vienna) to Sir J. Simon (Received December 7, 8.15 p.m.)*

*No. 128 Telegraphic [C 10744/2092/3]*

VIENNA, December 7, 1933, 7.30 p.m.

My immediately preceding telegram.<sup>1</sup>

French Minister informs me of further conversation with the Chancellor in the course of which he asked Dr. Dollfuss whether there was any truth in the report published in Prague that he was going to Berlin to discuss solution of Austro-German difficulty on the basis of admission of two local Nazi Ministers to his Cabinet.

Chancellor replied that report was devoid of all foundation. In no circumstances would he agree to go to Berlin nor would he consent to discuss solution with Germany on condition indicated.

<sup>1</sup> Not printed. This telegram of December 6 reported very briefly on Sir W. Selby's conversation with Dr. Dollfuss recorded in No. 100. Sir W. Selby added that his French colleague had assured the Chancellor that in no circumstances would the French Government agree to the sacrifice of Austria as the price of a settlement with Germany: they regarded the maintenance of Austrian independence as vital for the peace of Europe.

I omitted from my earlier telegram to report that Chancellor had emphasized immense extension of German influence throughout Central Europe were Herr Hitler to succeed in establishing his authority as far as Bratislava and towards Save. In connexion with this view of Chancellor I submit Herr von Neurath's reported intention to visit Angora may be worthy of some attention. View held in most quarters here is that were Hitler to gain control of Austria, Central Europe and the Balkans would be at Germany's mercy.

**No. 107**

*Sir J. Simon to Sir E. Phipps (Berlin)*

*No. 239 Telegraphic [C 10741/245/18]*

FOREIGN OFFICE, *December 7, 1933, 7.45 p.m.*

If you find that Chancellor is disposed to treat communication in my immediately preceding telegram<sup>1</sup> as unduly critical and discouraging, you should say that we feel that by mentioning plainly and at once some of the difficulties we foresee, not as barren objections but as constructive suggestions, the speediest road to general agreement may be discovered.

<sup>1</sup> No. 105.

**No. 108**

*Sir J. Simon to Sir E. Phipps (Berlin)*

*No. 242 Telegraphic [C 10742/245/18]*

FOREIGN OFFICE, *December 7, 1933, 10.0 p.m.*

For your own guidance, I would explain that the present position as regards 'security' is as follows:—

The fears and suspicions aroused by some of the manifestations of the Hitler régime last summer made it inevitable that France should be more concerned than ever about security. As His Majesty's Government could not undertake further commitments themselves, France pressed for an indirect measure of 'security' which in the suggestions of October 14 took the form of dividing the process of disarmament into two periods. As this scheme has been rejected by Germany, the question now is whether Hitler is able and willing to offer any adequate alternative in its place. It stands to reason that the need for additional measures of security has been now further increased by Germany's threat to withdraw from the League, since this has had the immediate effect of lessening the value of Germany's obligation to use the machinery provided for in the Covenant for the maintenance of peace.

**No. 109**

*Sir J. Simon to Sir E. Drummond (Rome)*

*No. 403 Telegraphic [C 10741/245/18]*

FOREIGN OFFICE, *December 7, 1933, 10.0 p.m.*

My telegram No. 238 to Berlin.<sup>1</sup>

Please inform Signor Mussolini in strict confidence of substance of my instructions to Sir E. Phipps and say that I shall keep him informed of any answer we may receive from German Chancellor. I am sure that he will keep us similarly informed of any conversations Italian Government may have with Germans.

Repeated to Berlin and Paris.

<sup>1</sup> No. 105.

**No. 110**

*Sir J. Simon to Sir R. Lindsay (Washington)*

*No. 509 Telegraphic [C 10741/245/18]*

FOREIGN OFFICE, *December 7, 1933, 10.0 p.m.*

My telegram No. 238 to Berlin.<sup>1</sup>

You should communicate this in strict confidence to the Secretary of State.  
Repeated to Berlin, Paris and Rome.

<sup>1</sup> No. 105.

**No. 111**

*Minute by Mr. Stevenson*

*[W 14088/40/98]*

FOREIGN OFFICE, *December 7, 1933*

Mr. Hugh Wilson informed me last night at Geneva that he had had a conversation with Mr. Henderson before the latter's departure from Geneva. Mr. Henderson had told him that he would only summon a meeting of Bureau of the Disarmament Conference during January in either of two eventualities: (1) if the Powers were to inform him that their conversations had reached a point from which satisfactory progress could be made at Geneva, or (2) if the Powers were to inform him that their conversations had broken down.

Mr. Wilson expressed himself as highly gratified by the Secretary of State's invitation to visit London and discuss the question of disarmament with the Secretary of State and Mr. Eden, but said that in present circumstances his Government did not desire him to participate in any conversations on this subject outside Geneva, and he thought that even if he paid a private visit to London, its purport might be misconstrued by the press. He added that he had explained the position in writing to the Secretary of State.

RALPH STEVENSON

*Sir J. Simon to Lord Tyrrell (Paris)**No. 1888 [C 10727/245/18]*FOREIGN OFFICE, *December 7, 1933*

My Lord,

I asked M. Corbin to see me this afternoon. I first referred to the request made to us by the French Government some time ago that we should join in an examination of the French *dossier* as to German rearmament in breach of the Treaty of Versailles (see my despatches No. 1834<sup>1</sup> of the 27th November and No. 1860<sup>2</sup> of the 1st December). I repeated to the Ambassador our regret that, owing to pressure of urgent preoccupations, we had not been able to deal satisfactorily with the matter before. The Departments specially concerned had now been more fully consulted, and I hoped to be able, after the next meeting of the Cabinet, to give him an answer on the matter which would meet as far as possible the French point of view. Provisionally and confidentially I told him that we hoped to be able to indicate to the French Government the points in the French *dossier* which we were able to confirm and whether there were others as to which we disagreed. I understood that, for the most part, the matters referred to in the *dossier* were confirmed by our own authorities. M. Corbin hinted that there might be further material as to which his Government desired our views, but I said that, of course, we could not decide in advance how to deal with matters which had not been put before us.

2. I then disclosed to the Ambassador the main purpose of our interview, which was to communicate through him to his Government the nature of the communication which we were proposing to make to Chancellor Hitler by way of reply to the proposals which he had put before us, amongst other Governments. After explaining the circumstances and reasons of our intended action, I handed him a copy of telegram No. 238 to Berlin<sup>3</sup> of today's date, impressing on him the extremely confidential character of my own communication, since, while we desired to inform the French Government in advance of anyone else, it was essential that nothing should be revealed in advance of Sir E. Phipps's visit to the Chancellor when the communication would be made.

3. In placing before M. Corbin the circumstances and reasons for our action, the main points which I made were the following: We have now ascertained beyond question that Chancellor Hitler's suggestions, such as have been communicated to France, Italy and the United States, as well as ourselves, must be regarded as a real offer. His proposals had been first advanced some weeks ago, and, as the French Government knew, we had already informed Chancellor Hitler that we were giving them our careful

<sup>1</sup> Not printed. This covering despatch enclosed Sir J. Simon's letter of November 27 to the French Ambassador (No. 86).

<sup>2</sup> No. 92.

<sup>3</sup> No. 105.

consideration. The next step must therefore be our comment upon them. And this was very urgent, for Sir E. Phipps had warned us that further delay might result in the German Chancellor making a public announcement of his demands and complaining that he met with no adequate response. It was therefore quite clear that we must at once deal with the matter by a further communication to Chancellor Hitler himself. In settling the terms of our communication, we had in mind to keep Chancellor Hitler in play while avoiding any language which could be misconstrued as either accepting his proposals or seeking to develop any special Anglo-German bargain. But we were firmly convinced that the achievement of a disarmament agreement would be immensely facilitated if it were accompanied by political assurances calculated to improve and consolidate good relations between Germany and her neighbours. We therefore laid special stress in our communication on this aspect of the matter, and urged that Chancellor Hitler should develop his ideas further on this head. At the same time, we were fully alive to the importance of securing that bilateral pacts against aggression should not conflict with obligations under the League Covenant. We were also noting that, though Chancellor Hitler had proposed such pacts with France, Poland and Czechoslovakia, he had not mentioned Germany's other neighbours. I need not repeat the explanations which I gave to the Ambassador about the rest of the telegram since its terms speak for themselves.

4. M. Corbin expressed the thanks of his Government for this communication, and his words showed that he clearly appreciated that we had determined to send this message but were most anxious to inform the French in advance and before anyone else. He naturally added that he could not himself express the view of his Government on the matter, but he did advance a comment of his own. He said that it seemed to him that this communication might be taken as surrendering the position that rearmament was to be resisted at all costs and as admitting as the basis of negotiation proposals for the positive increase of armaments (see in this connexion his observations at our previous interview recorded in my despatch No. 1877<sup>4</sup> of the 4th December). I replied by referring to Mr. Baldwin's analysis in a recent speech<sup>5</sup> of the three possibilities—

- (1) That the heavily-armed States would come down to the level and list permitted to Germany by the Treaty of Versailles.
- (2) That a level should be fixed by agreement intermediate between this level and the present level of the highly-armed Powers; and
- (3) That there should be no agreement at all, with the result that an unlimited race of armaments would follow.

It seemed to us that this analysis was both just and complete. There was no fourth possibility, as was sometimes said or supposed, such as that Germany should not be 'permitted' to change her armaments while the heavily-armed nations should retain theirs. With the United States, Japan and Soviet Russia out of the League and with Germany withdrawn and Italy more than

<sup>4</sup> No. 95.

<sup>5</sup> On November 27. See No. 97, note 2.



half out, the suggestion that the League should not 'permit' German rearmament seemed to us illusory, for how was it to be prevented? We fully appreciated the importance of Anglo-French co-operation, and at all times stood for it and meant to maintain it as far as possible, but would even a joint declaration that Germany should not rearm have the necessary compulsory effect? It was therefore not any failure to appreciate either French anxieties or the actual condition of affairs in Germany that led us to believe that the only practical solution was by agreement to which Germany would be a willing party. We well understood that promises were not a guarantee that the promise would be observed, but we did attach immense value at the present stage to an agreement signed by Chancellor Hitler himself, both because this would commit present-day Germany in a way in which she would certainly not regard herself as committed by previous German signatures and because, whatever the future might have in store, Chancellor Hitler's present declarations of peaceful intentions could not be ignored and were, we believed, a reflection of the present German temper. But if advantage was not taken of any opportunity that presented itself now, then no one could be sure that the German attitude would not change, with the result that future prospects of peace would be damaged beyond repair.

5. M. Corbin listened attentively, but made no extended comment, though he observed (as he had observed to me before) that there was a serious difference between German rearmament in the face of Anglo-French opposition and the situation which would arise if German rearmament was based on a new agreement which would in its turn be taken as a starting-point for further claims.<sup>6</sup>

I am, &c.,  
JOHN SIMON

<sup>6</sup> A summary of this conversation was telegraphed to Berlin and Rome on December 9.

### No. 113

*Sir J. Simon to Mr. Campbell<sup>1</sup> (Paris)*

*No. 236 Telegraphic [C 10697/245/18]*

FOREIGN OFFICE, *December 8, 1933, 2.33 p.m.*

Berlin telegram No. 280.<sup>2</sup>

I pointed out to French Ambassador this morning that instructions to his colleague in Berlin had reached us in a very abbreviated form: but, having seen them in that form, I expressed apprehension lest they should cut across our communication to Berlin of which I had informed him last night (my despatch No. 1888).<sup>3</sup>

<sup>1</sup> Mr. Campbell was in charge of H.M. Embassy, Paris, during Lord Tyrrell's visit to London, December 6-12. Lord Tyrrell had been summoned for consultation by the British Government who were anxious to have the latest information concerning the talks which had been taking place since the adjournment of the Disarmament Conference.

<sup>2</sup> No. 104.

<sup>3</sup> No. 112.

French Ambassador said that he was sure that that was not intention of his Government and that instructions were probably sent before they had learned of our communication to Berlin. I expressed apprehension lest, whatever the French Government's intention, communication if made in form suggested by Berlin telegram [No.] 280 might cut short the whole conversation.

In point of fact we have, in our communication to Berlin, a double objective (1) that of bringing out German aims and (2) that of working down German proposals so as to make an agreed settlement possible. Attainment of either part of this objective would be rendered impossible by pursuit of tactics such as those suggested by Berlin telegram [No.] 280.

For your own information we understand that French Ambassador Berlin will not be acting on these instructions before middle of next week.

#### No. 114

*Sir E. Phipps (Berlin) to Sir J. Simon (Received December 8, 3.30 p.m.)*

*No. 282 Telegraphic [C 10747/245/18]*

BERLIN, December 8, 1933, 3.15 p.m.

Your telegram No. 238.<sup>1</sup>

I have just seen Chancellor and made him desired communication in the presence of Baron von Neurath.

(1) Chancellor assured me he would be ready to conclude non-aggression pacts with all limitrophe States but he has specially in view France, Italy, Poland, Czechoslovakia, Yugoslavia and England. He seemed to attach importance to the last named.

(2) Chancellor pointed out that the discrepancy between the number 300,000 and 200,000 in British Draft Convention, is explained by the fact that whilst the Convention reduced numbers of effectives and armaments of other Powers, he suggested leaving those Powers with their present effectives and armament, and this for very good reason, that he realises that neither France nor Poland, only to mention them, can or will disarm.

(3) He assured me that the S.A. and S.S. might be compared to the Salvation Army. (Here I regret to say I laughed.) They were purely political organisations. He admitted however that 1,000 S.S. and 600 S.A. were armed and used as a special guard for the Government. He had recently disbanded 6,000 police. Still he would be ready that automatic and periodic general supervision, to which he agreed, should see these bodies are not military. I suggested that general ruling might be drawn up governing such bodies everywhere (see my telegram No. 276)<sup>2</sup> and Chancellor agreed.

(4) Reichswehr would the Chancellor said disappear and be transformed into short-term army within three or four years. Baron von Neurath said it

<sup>1</sup> No. 105.

<sup>2</sup> No. 101.

was strange that His Majesty's Government should now ask for periodic and automatic supervision but I said that it was presumably to avoid friction as would be caused by the special summoning of supervisory commission at the request of a foreign Power. Moreover Chancellor's proposals were new and demanded new conditions from us.

Chancellor begged me to let him have roughly in writing gist of our remarks so I am forwarding them to Baron von Neurath unofficially, enclosed in a private letter. He will reply in writing in due course.

Repeated to Paris, Rome and Washington.

### No. 115

*Sir J. Simon to Mr. Campbell (Paris)*

*No. 237 Telegraphic [C 10741/245/18]*

FOREIGN OFFICE, *December 8, 1933, 4.10 p.m.*

My despatch No. 1888.<sup>1</sup>

You should urgently suggest to the French Government that they should support the enquiries which Sir E. Phipps has been instructed in my telegram No. 238 to Berlin<sup>2</sup> to make to the Chancellor; and you should urge the French Government to use the opportunity thus created to elicit from the Chancellor more precisely the German attitude on both the political guarantees and the technical question. You should point out that His Majesty's Government earnestly desire to use the present opportunity to hammer out without delay, in co-operation with Germany and other States, a practical basis for agreement for limitation of world armaments freely entered into by all parties.

You should point out to the French Government that we particularly wish to know their views of Herr Hitler's suggestion for direct Franco-German settlement of the Saar question. (If the Saar be excluded *ab initio* from negotiation as suggested in Berlin telegram [No.] 280<sup>3</sup> giving M. François-Poncet's instructions, it seems that prospect of successful issue will at least be impaired.) Might not such a settlement prepare the way for a re-affirmation by Hitler of all Germany's obligations under the Locarno Treaties to respect the French and Belgian frontiers and a stronger undertaking of non-aggression with all limitrophe countries? The French Government are no doubt considering the value in present circumstances of obtaining Hitler's signature to undertakings given by previous German Governments.

The ball has been set rolling by His Majesty's Government, but it is essential that the French Government should keep in step with them by exploration on their own account. You should emphasise the fact that a French conversation with Germany should not imply less intimacy with Great Britain, any more than the initiative of His Majesty's Government implies less intimacy with France. His Majesty's Government consider it of

<sup>1</sup> No. 112.

<sup>2</sup> No. 105.

<sup>3</sup> No. 104.

the first importance that the two Governments should be in step. The only thing that seems impossible is that they should both stand still. It is only by harmonious movement that it can be discovered whether a basis is even now attainable for a general agreement on disarmament and security in which all can take part.

His Majesty's Government will of course keep the French Government informed of any developments from this reply to the German overture, and naturally hope that the French Government will with reciprocal frankness keep them informed of the course of any conversations that they in turn may have in this matter.

No. 116

*Sir J. Simon to Mr. Campbell (Paris)*

*No. 1903 [W 14117/40/98]*

FOREIGN OFFICE, *December 8, 1933*

Sir,

In view of Sir Eric Phipps's telegram No. 280<sup>1</sup> of the 7th December reporting that the French Ambassador in Berlin had been instructed to inform Chancellor Hitler that the suggested German rearmament caused the gravest concern to the French Government and that the Saar plebiscite must take place in 1935, I asked M. Corbin to see me this morning. Lord Tyrrell and Sir Robert Vansittart were also present. We said that this message gave us some concern, since the execution of such instructions at this moment might cut across the *démarche* which we had set in motion yesterday by our telegram No. 238 to Berlin,<sup>2</sup> the purpose and text of which we had communicated in advance through the French Ambassador to his Government. The object of our message to Chancellor Hitler was to invite him to revise his proposals, but at the same time to show our interest in them as providing a possible basis for a political agreement; might not the French communication cut short these efforts and possibly even lead Chancellor Hitler to suggest that the French and ourselves were at cross-purposes?

2. M. Corbin thought that the instructions to M. François-Poncet were due to the pressure of the Foreign Affairs Committee and to the need of satisfying French opinion by showing that others besides Chancellor Hitler could express forcible opinions. He did not imagine that the communication would be couched in brusque terms; the report we had received was necessarily abbreviated. At the same time he undertook to communicate at once with the Quai d'Orsay reporting our reaction, on the chance that the instructions had not yet been carried out.

3. M. Corbin called on Sir Robert Vansittart this afternoon. He had been in communication with his Government and confirmed that instructions in the foregoing sense had been sent to Berlin. He seemed to think, however, that

<sup>1</sup> No. 104.

<sup>2</sup> No. 105.

the instructions were less brusque in form than they had appeared to us, and he argued at some length, firstly, that the French Government could not possibly have sent any other instructions, and, secondly, that the instructions need not necessarily have the effect of interrupting the conversations which might be set in motion by the action taken at Berlin by His Majesty's Government. M. Corbin was reminded in reply that we were engaged in the first steps of an exploration, and that it would probably be very unwise to interrupt or impede them. There might be two results of such an exploration: firstly, that the true nature of the German position would be exposed; and, secondly, and at best, that the German demands might gradually be so whittled away that some kind of all-round settlement might be shown to be possible. Sir Robert Vansittart strongly disputed M. Corbin's view that as a result of our enquiries we should be led further down the road of rearmament. M. Corbin said that he had very little hope of securing the modification of the instructions sent to the French Ambassador in Berlin, but that he did not see why the execution of such instructions should prevent Franco-German conversations. In reply Sir Robert Vansittart pointed out that the nature of the instructions was a couple of negatives, and this did not seem a very happy opening for bringing the German Government on to positive ground. It was, however, to be hoped that the Ambassador's diagnosis was correct and that these instructions would not prove the obstacle or discouragement that had seemed possible earlier in the day. Much would no doubt depend upon the tone in which M. François-Poncet carried them out.

I am, &c.,  
JOHN SIMON

#### No. 117

*Mr. Campbell (Paris) to Sir J. Simon (Received December 9, 9.30 a.m.)*

*No. 116 Telegraphic [C 10759/245/18]*

PARIS, December 9, 1933, 3.55 a.m.

As it would have been impossible to see Minister for Foreign Affairs (debate involving existence of the Government is in full swing) I saw Secretary-General of Ministry of Foreign Affairs this evening<sup>1</sup> and made to him the communication as instructed.<sup>2</sup> I also gave him substance of your interview with French Ambassador this morning (your telegram No. 236).<sup>3</sup>

2. M. Léger, after listening attentively, described to me the nature and import of instructions sent to French Ambassador at Berlin. M. Poncet had been told that instructions would be sent to him as soon as Government had got over financial stile (i.e. if they survived) and had had time to consider the matter in the Cabinet. In the meantime, lest continuous silence of French Government were to lead to misconceptions, M. Boncour, with the approval of President of the Council, had directed French Ambassador to take an

<sup>1</sup> This telegram was drafted on December 8.

<sup>2</sup> See No. 115.

<sup>3</sup> No. 113.

opportunity of informing the Chancellor that conversations already taking place obliged French Government to formulate two reserves, namely, that France could not discuss any solution of disarmament problem based on Germany's rearmament or any arrangement relating to the Saar based on suppression of plebiscite.

3. When I here developed argument contained in paragraph 2 of your telegram,<sup>4</sup> M. Léger maintained that it was quite impossible for a contracting party to ride roughshod over provisions of a treaty to which not only numerous other Powers were parties but which guaranteed certain rights to Saarlanders themselves though admittedly they would never vote for absorption into France and might by date fixed for plebiscite (many things might happen between now and then) prefer continuance of present régime to re-absorption into Germany. French Government could and would discuss economic and industrial matters but only on the understanding that plebiscite were not interfered with. In point of fact French Government had not understood from M. Poncet's conversation with Chancellor that latter put an immediate settlement of Saar question in the foreground but rather that he considered it as a matter which, constituting as it does the only territorial question between France and Germany, it would be well, incidentally, to embrace in any general arrangement. I said, however, that it looked as though Herr Hitler did in fact attach great importance to an early settlement. M. Léger replied that neither that nor any other consideration would induce French Government to be a party to what would in effect be an illegal act.

4. As to German obligations under Locarno these would not be worth much if they were only to be recognised as [*sic* ? at] price of new agreement involving German rearmament. In point of fact Chancellor had spontaneously assured M. Poncet that he fully abided by them. I pointed out that that was not the same thing as a public re-affirmation backed by new spirit in Germany but my arguments produced no impression.

5. I need not repeat all arguments mainly of familiar type used by Secretary-General in the course of conversation lasting over two hours. It is clear that M. Boncour and President of Council have made up their minds (and they will doubtless be upheld by their colleagues) that in no circumstances will they put signatures to any settlement involving German rearmament and will not so far as they are concerned continue discussions on that basis. If Herr Hitler will continue on no other they will wait until General Commission meets and results of bilateral conversations are reported. They will then make public declaration of concessions which they remain prepared to make as their contribution to a settlement based on gradual disarmament to present German level. If that meets with no response they will take their stand on the treaties and on Article 8 of the Covenant and claim that they have not the right even if they had the wish to set aside their obligations and subscribe voluntarily to German rearmament. If others are willing to do so let them take the responsibility openly before the world.

<sup>4</sup> The reference appears to be to No. 115.

6. I did all I could to persuade M. Léger that this attitude ignored realities of the present hour. It was obvious that it could lead to no agreement. What would France do then? He replied a new situation would have arisen, that France, after taking stock of her friends, would meet it as best she could. I tried to persuade him that a large body of opinion at least in the British Empire, America and Italy would not sympathize with French attitude. He retorted that be that as it might no French Government could be a willing party to a Disarmament Conference ending in rearmament. He was unmoved by any arguments, based on the security which might ensue for France from measures of political appeasement adumbrated by the Chancellor. What, he asked, did these amount to? If Herr Hitler were really sincere why did he not propose a lesser measure of German rearmament accompanied by a measure of French disarmament? (He put this question I think merely as an argument: it should not be taken as implying that French Government would accept any such arrangement.) Offer to France to maintain her existing armaments looked suspiciously like bait with which to lure her into hasty agreement which she would have reason later to regret.

7. When I said that after all we none of us yet knew exactly what the Chancellor's proposals amounted to and that you were anxious that Russia (? France)<sup>5</sup> should walk in step with you in bringing them into the light of day and thus possibly reducing them, he said French Government would fully appreciate this but that it was quite impossible for (? them)<sup>6</sup> to adopt this course without implying that they were ready to talk on basis at least of some measure of German rearmament. As this was not the case it was more honest in their position to make the reserves which French Ambassador in Berlin had been instructed to formulate. Nor was it necessary for the purpose in view that French Government should join exploratory process. Desired knowledge would be obtained by enquiries made by other Governments engaged in conversations at Berlin.

8. I told M. Léger that as decision which his remarks implied was so grave a one I felt that I ought to have it from the lips of M. Boncour himself. He said he quite agreed that he himself would prefer it and that he would arrange an interview as early as possible. When it takes place, possibly tomorrow morning, I will again go over the whole ground and develop all the arguments contained in your telegram but I am under no illusion that the result will be any different. It is clear that the decision has been taken.

Repeated to Berlin and Rome.

<sup>5</sup> This emendation was suggested in the Foreign Office.

<sup>6</sup> The text is here uncertain.

No. 118

*Sir J. Simon to Mr. Campbell (Paris) and Sir E. Drummond (Rome)*

*No. 238<sup>1</sup> Telegraphic [C 10747/245/18]*

FOREIGN OFFICE, December 9, 1933, 12.15 p.m.

Berlin telegram No. 282.<sup>2</sup>

Substance of this interview has been communicated by Sir E. Phipps to his French and Italian colleagues.

<sup>1</sup> No. 238 to Paris; No. 404 to Rome.

<sup>2</sup> No. 114.

No. 119

*Sir E. Drummond (Rome) to Sir J. Simon (Received December 9, 2.5 p.m.)*

*No. 375 Telegraphic [W 14070/40/98]*

ROME, December 9, 1933, 12.40 p.m.

My telegram No. 374.<sup>1</sup>

My concise impression of interview is that Signor Mussolini thinks that the present German terms should be accepted as soon as possible lest a worse thing befall.

Repeated to Paris and Berlin.

<sup>1</sup> Not printed. This telegram summarized Sir E. Drummond's interview with Signor Mussolini on December 8 recorded in No. 122.

No. 120

*Sir E. Phipps (Berlin) to Sir J. Simon (Received December 11)*

*No. 109 Saving: Telegraphic [W 14115/40/98]*

BERLIN, December 9, 1933

The Chancellor seemed less strained and more normal than usual when he received me yesterday. He wore on this occasion one of those brown shirts of which I was attempting to deprive him.

On this point only, viz. when I suggested the absorption of the S.A. and S.S. (roughly two millions) into an army of 200,000, did he give vent to any outburst. It was here that, betraying a lamentable lack of humour, he compared these bodies to the Salvation Army, and shouted out that they were in no sense military; but that if foreigners insisted on considering them as such he would make them so.

The Führer's loss of composure in this matter is not surprising, nor need it be taken too tragically. We were in effect seeking to place him in the uncomfortable position of a 'guillotiné par persuasion'. The S.A. and S.S. are indispensable to Herr Hitler for internal political reasons. To dissolve them (for that is what our suggestion amounts to) at the behest of foreign Powers would be absolutely fatal to the Hitler régime, which would indeed



collapse. Moreover, from the point of view of internal order in Germany the removal of the discipline imposed even spasmodically on some two millions of the inhabitants would have very unfortunate consequences.

I think therefore that a solution of this question must be sought on other lines, and here the spontaneous suggestion of Herr Hitler himself that those bodies should be subject to the automatic and periodic supervision to which he agrees seems distinctly helpful. We should, moreover, be able to draw up stringent regulations in regard to them on the lines indicated in my telegram No. 276<sup>1</sup> of December 6. This will ensure that the S.A. and the S.S., like the Salvation Army, will abstain from field exercises with dummy machine-guns, etc.

I have of course informed my French, Italian and American colleagues of the result of my yesterday's interview with the Chancellor.

M. François-Poncet rather plaintively remarked that the Franco-German *tit-for-tat* so far had resulted in everybody except France conversing with Germany. He had in mind my two interviews this week with Herr Hitler and Signor Suvich's approaching visit<sup>2</sup> to which he looks forward without any pleasure.

M. François-Poncet applied on December 7 for an interview with the Chancellor, who replied that owing to his absence from Berlin for the week-end and to Signor Suvich's visit he would not be able to receive His Excellency until December 14.

Copy to Rome.

<sup>1</sup> No. 101.

<sup>2</sup> Signor Suvich visited Berlin from December 12 to 14.

## No. 121

*Sir E. Drummond (Rome) to Sir J. Simon (Received December 11)*

*No. 58 Saving: Telegraphic [C 10824/653/18]*

ROME, December 9, 1933

My telegram No. 330<sup>1</sup> of November 14.

I reminded Signor Suvich today that I had not yet received a reply to my communication regarding aircraft for Germany.

He promised me one very shortly. He said they had decided on their attitude and that it would be the same as that of the United States with whom they had been in communication without, however, referring to what I had told them as to United States views.

The Italian Government did not think it necessary or altogether proper to conclude an agreement to ensure that an agreement already concluded should be executed.

<sup>1</sup> No. 34.

*Sir E. Drummond (Rome) to Sir J. Simon (Received December 11)**No. 947 [W 14114/40/98]*

ROME, December 9, 1933

Sir,

With reference to my telegram No. 374<sup>1</sup> of yesterday's date, I have the honour to report that I saw Signor Mussolini last night and communicated to him the substance of your telegram to Sir E. Phipps No. 238.<sup>2</sup> In going through the points set out in Sir E. Phipps's telegram No. 274,<sup>3</sup> I found that the Italian Ambassador in Berlin had informed his Government fully and correctly of them. Signor Mussolini smiled broadly when I came to the passage regarding the German desire for an increase in British naval and air forces. When I told him that you interpreted the Chancellor's statement as meaning that Germany would conclude pacts of non-aggression with all limitrophe states, he indicated very clearly his strong doubt whether Germany would agree to this. He observed that Germany had a large number of neighbours and that it might be difficult for her to conclude such arrangements with some of them, and in particular with Austria. He asked why the French wanted more security. They had the Locarno Treaties and this ought to be fully sufficient for them. I remarked that French opinion seemed alarmed in connexion with the rearmament side of the German proposals. Might it not make it easier for France to swallow some measure of German rearmament if she could obtain from Germany an inclusive series of non-aggression pacts?

2. This led Signor Mussolini to speak very strongly as to the folly of present French policy. He said that the time had passed for a preventive war. Germany could now make a serious resistance and would fight to the end. Therefore there was nothing else left for France but to make the best terms she could as quickly as she could, and to embody them in an agreed disarmament convention. Every year, every month, indeed every week that went by rendered the German position stronger. France ought to realise, and we all must realise, that delay could only make things more difficult. Germany was still suffering from internal difficulties: witness the violent division which was occurring in the German Protestant Church. She had also severe economic troubles. But she was certainly gradually increasing her armaments, and this was quite natural. She was not likely to sit with her hands folded all this winter waiting for the disarmament situation to develop. Therefore it was a primary necessity to France that an agreement should be reached. If non-aggression pacts could be secured, so much the better, but if they could not, he still held that an agreement was highly desirable. He thought that public opinion would be satisfied with a convention containing the features which he had previously described to me (see my telegram No. 320).<sup>4</sup>

<sup>1</sup> Not printed. See No. 119, note 1.<sup>2</sup> No. 105.<sup>3</sup> No. 97.<sup>4</sup> See No. 15.

3. Turning to the technical side, Signor Mussolini said that he feared that we were under an illusion if we thought that the S.A. and the S.S. would be absorbed in the new army, even if the latter were to consist of 300,000 men. They might perhaps cease to function as military organisations, but they would still be kept in being as athletic associations, thus providing additional man-power. He again emphasised the danger of delay and criticised severely what he called the blindness of French politicians. He remarked that it was very difficult to deal with France just now. There were six Ministers of Foreign Affairs, the first in the Quai d'Orsay, the second and third in the presidential seats of the respective Foreign Affairs Committees of the Senate and of the Chamber, the fourth and fifth in the Comité des Forges, and in the General Staff, and the sixth in the Grand Orient. A strong Government in France had become necessary. Even if Germany had an army of 300,000 men, France would not be in danger. Her new frontier defences were impassable. Her man-power, taken together with that of Poland the [*sic* ? and] Czechoslovakia, was greatly superior to that of Germany. I said that I had always heard that the interior position which Germany had was of great strategic advantage. Signor Mussolini did not consider that this mattered at present; he believed that if Poland had to fight Germany alone, she would today have a considerable initial advantage both in numbers and in material.

4. He promised to keep me fully informed of any information which he received from the German side, and he laid stress on the fact that our interests in this matter coincided. I said that I felt that they coincided even more generally, since we both had a great common object, the preservation of peace. Signor Mussolini agreed.

I have, etc.,

ERIC DRUMMOND

### No. 123

*Sir E. Drummond (Rome) to Sir J. Simon (Received December 20)*

*No. 956 [W 14505/40/98]*

ROME, December 9, 1933

Sir,

I have the honour to report that I communicated to Signor Suvich this evening the substance of Sir Eric Phipps's telegram No. 282.<sup>1</sup> The Italian Government had not received any news from their Ambassador at Berlin as to the results of the interview between Sir Eric Phipps and the Chancellor. Signor Suvich was therefore particularly glad to have the information I was able to give him. When I came to the point about pacts of non-aggression, Signor Suvich remarked that Italy was not a neighbour of Germany, and he sincerely hoped would never have her next door.

2. He considered the Chancellor's argument in favour of 300,000 as against 200,000 men to be strong, but thought 300,000 an excessive number.

<sup>1</sup> No. 114.

He asked whether the armed police had been taken into consideration in connexion with the figure of 300,000 men. I could not reply to this question. As regards the time required for the adaptation of the Reichswehr, he enquired whether any period was suggested for the duration of the convention.

3. I said that, as far as I knew, the point had not been discussed, but I rather assumed that the Chancellor had in mind a ten years' period, since he had stated that the pacts of non-aggression would ensure peace for that time, and that, after ten years, a review of the international situation would have to take place. Signor Suvich was considerably impressed by the progress which was being made. I thought it, however, well to call his attention to the statement in the well-informed 'Écho de Paris' that instructions had been sent to the French Ambassador in Berlin to the effect that France could not agree to a convention which entailed German rearmament, and must insist on the plebiscite in the Saar Territory.

4. Signor Suvich once again expressed his failure to understand French policy. He said that he quite understood, and to a certain point sympathised with, French distrust of the Chancellor's assurances and of Germany as a whole. But the logical consequence of such a view would have been to smash Germany by force when Herr Hitler came into power. France, for various reasons, had not followed that course. Therefore, surely she had better secure the best arrangement now possible, including supervision. If the working of the latter proved that Germany was violating her engagements, then France would have, in the eyes of the world, a very strong case for taking action. But to veto everything and to do nothing was surely the worst possible policy, as Germany would assuredly rearm in the meantime.

I have, &c.,

ERIC DRUMMOND

## No. 124

*Letter from Mr. Sargent to Sir E. Phipps (Berlin)*

[W 14073/40/98]

FOREIGN OFFICE, *December 9, 1933*

There are certain questions of fact which have cropped up during last week's discussions of Hitler's proposals. We purposely did not put any of them into our telegram No. 238,<sup>1</sup> since we did not want you at this stage, at any rate, to get involved in technical details and debating points. But it is only right that you should know the kind of questions which are likely to come to the fore if the present conversations crystallise into anything like a concrete scheme. Here are some of them:—

1. What would be the general lines of the peacetime organisation of the proposed German army: e.g. the number and strength of the cavalry and infantry divisions, tank and air force units?

<sup>1</sup> No. 105.

2. What would be the number and strength of similar units to which the army and air force are to expand on mobilisation?

3. How far is it proposed to maintain reserves of weapons of the various categories, and of aircraft for mobilisation purposes?

4. According to your telegram No. 274<sup>2</sup> the German proposal for an army of 300,000 is based on that number being considered roughly 25 per cent. of the total forces of France, Poland and Czechoslovakia. The numbers which we understand at present compose the armies of these three countries are as follows:—

<i>France.</i> Average daily effectives of army in France, including Colonial troops and <i>garde républicaine mobile</i>	321,113.
Average daily effectives overseas	197,401.
<i>Czechoslovakia.</i> (1933 average daily effectives)	138,788.
<i>Poland.</i> (1931 average daily effectives)	265,980.
making a grand total of	922,282. [ <i>sic</i> ]

But even 25 per cent. of this grand total would bring the German number only to 230,570. It is certainly a novel idea to add French overseas troops on to their total of European troops.

5. In your telegram No. 274 you state 'the *same* percentage of those Powers' aeroplanes would be required by Germany'. According to published figures (League of Nations Armaments Year Book), France possesses 1,667 aircraft, including 395 overseas aircraft; Poland possesses 700; and Czechoslovakia 546. This, you will observe, adds up to 2,913. This would give Germany 728 military aircraft as compared with approximately 850 British, of which a very considerable portion are permanently stationed overseas.

These details are of course only for your private information, but it would be interesting to know what figures the Chancellor attributes to these three States in regard to effectives and aircraft so as to understand how he has reached the figure of 300,000, and how many aircraft he is asking for.

6. For the purpose of the 'Stillstand' you state in your telegram No. 274 that by 'highly armed Powers' the Chancellor only means France, Poland and Czechoslovakia. We do not understand why the list is thus limited: ought not, for instance Italy and Soviet Russia to be included?

Since writing this we have got your telegram<sup>3</sup> recording your interview with the Chancellor yesterday (8th December). But, though full of interesting new facts, it does not affect, I think, the particular points I am putting in this letter, which I hope will be of some help to you in showing what we should like to know, should you have a chance of learning more about them, that is to say, without of course putting any formal or official questions to the Chancellor or Neurath.

ORME SARGENT

<sup>2</sup> No. 97.

<sup>3</sup> See No. 114.

No. 125

*Letter from Sir E. Phipps (Berlin) to Mr. Sargent*

[W 14126/40/98]

BERLIN, December 9, 1933

My dear Sargent,

In my telegram No. 274<sup>1</sup> of December 5 I reported that the Chancellor had expressed satisfaction at the three alternatives mentioned by Mr. Baldwin in the House on November 27. The reason doubtless is that he considers that these alternatives offer Germany a more attractive solution in respect of offensive weapons than that which he himself proposed to me on October 24.

As reported in 'The Times', Mr. Baldwin said that the first alternative was disarmament of all countries to the level of existing German armaments. This solution the Chancellor regards as impracticable. The second alternative was a limitation of armaments at a point which excludes all large offensive weapons. The third alternative was competition in armaments, a solution which Mr. Baldwin rejected.

The second alternative is therefore the only practical one and here His Majesty's Government appear to be proposing the universal abolition of all offensive weapons. The Chancellor, however, as reported in my telegram No. 82 Saving<sup>2</sup> of November 9 and my telegram No. 232<sup>3</sup> of October 24, declared that Germany would only require *defensive* weapons for her short-term army of 300,000, leaving France and the highly armed States to retain their present armaments including *offensive* weapons.

Yours ever,

ERIC PHIPPS

<sup>1</sup> No. 97.

<sup>2</sup> No. 26.

<sup>3</sup> See Volume V in this Series, No. 485.

No. 126

*Mr. Campbell (Paris) to Sir J. Simon (Received December 10, 9.30 a.m.)*

*No. 117 Telegraphic [W 14069/40/98]*

PARIS, December 10, 1933, 2.50 a.m.

I saw Minister for Foreign Affairs this afternoon<sup>1</sup> and went with<sup>2</sup> M. Léger. Whilst making it plain that you had no thought of endeavouring to influence French Government to adopt any course which they felt to be contrary to their interest I developed all your points in favour in following out<sup>3</sup> exploratory process to its logical conclusion. I put them in the form of considerations which I presumed the French Government had not ignored when instructing the French Ambassador at Berlin to formulate their two reserves.

<sup>1</sup> This telegram was drafted on December 9.

<sup>2</sup> In the confirmatory copy of this telegram received later by bag, the text here read: 'went over the same ground as with'.

<sup>3</sup> The later text read: 'in favour of French Government following out'.

2. M. Boncour was quite inflexible. He repeated over and over again that France had gone to the utmost limit and that any Government which engaged (? in)<sup>4</sup> conversations on basis of German rearmament, would be swept away and that it had, therefore, been necessary in order to avoid subsequent misunderstanding to make the two reserves which need not, however, necessarily put an end to Franco-German discussion.

3. When I suggested these reserves, if maintained, would destroy prospect of any agreement freely entered into by parties concerned which seemed only way of obtaining a lasting settlement, he said he did not agree that that was necessarily so. Owing to Germany's abrupt withdrawal from the Conference offer whereby she would have attained complete equality of rights within a relatively short space of time had never been squarely put to her; certainly it was unknown to German people. He would like to see it put in this way: Germany had herself asked to be allowed to transform her professional army into a short service army; she had said that process would take three or four years; it would be unreasonable for him<sup>5</sup> to ask that before process was complete and there was similarity of armies there should be similarity of arms; similarity of arms until highly trained Reichswehr had disappeared would give Germany before long her<sup>6</sup> superiority; equalisation of all . . .<sup>7</sup> process of equalisation of arms would have begun or<sup>8</sup> equalisation of armies was complete.

4. When I asked M. Boncour whether he saw any alternative to the other three eventualities enumerated by<sup>9</sup> Mr. Baldwin he said that he did: it was that in the event of German insistence on rearmament rendering any agreement impossible recourse should be had to machinery of the League of Nations which the French Government intended to uphold by every means in their power; French public was clamouring for application of Article 213 of the Treaty of Versailles. He admitted this would be a severe test for the League of Nations in present circumstances but thought it might be well to end by re-vivifying it.<sup>10</sup>

5. Whilst freely admitting that His Majesty's Government were not bound by September negotiations<sup>11</sup> M. Boncour deeply regretted that they had thought it necessary to depart from an agreement which they considered at the time to be a fair offer and which was inspired by principle of no rearmament which they had so constantly put in forefront of their public declarations. Experience shows that this change of mind would indeed encourage<sup>12</sup> Herr Hitler to increase his pretensions. His own information was that

<sup>4</sup> The text as received was here uncertain. The later text read: 'engaged conversations'.

<sup>5</sup> The later text read: 'her'.

<sup>6</sup> The later text read: 'de facto'.

<sup>7</sup> The text as received was here uncertain. The later text read: 'superiority; under October 14 proposals process of'.

<sup>8</sup> In the later text this word read: 'immediately'.

<sup>9</sup> The later text read: 'alternative other than the three eventualities enunciated by'.

<sup>10</sup> The later text read: 'it might well end by revivifying it'.

<sup>11</sup> The later text read: 'by September alignment'.

<sup>12</sup> The later text read: 'Experience showed that this change of mind would merely encourage'.

Herr Hitler's position despite appearances was none too strong and that if he thought he could get away with it he would go on seeking to consolidate it by fresh triumphs in the field of external relations. The one thing that would restrain him was fear of isolation.

6. M. Boncour finally expressed this<sup>13</sup> grave concern at what would happen if Disarmament Conference ended in a substantial measure of German rearmament. He thought that a great outburst of indignation leading perhaps even to popular risings would sweep over the face of Europe. I again made it plain to him that His Majesty's Government so far as they were concerned had not taken up any definite position. They were still in exploratory stage which it would be difficult to carry through to completion if the French Government did not keep in step with them.

7. I asked M. Boncour whether, as an entirely reciprocal<sup>14</sup> idea, I might suggest his instructing the French Ambassador at Berlin when formulating reserves (he has not yet done this) to add for their part French Government did not regard them as closing the door to continuance of Franco-German conversations. (This is perhaps a shade less discouraging than formulation of reserves without qualification.) He replied in order to keep in line as long as possible with His Majesty's Government he would be glad to do this. He subsequently however, asked that His Majesty's Government as a counter-part should take an opportunity of informing Herr Hitler that they still adhere[d] to principle of no rearmament. I said that I could not ask you to do that; my suggestion had been a purely personal one and I would rather withdraw it than he should accept it subject to condition. He said in that case he would withdraw the condition and act on my suggestion.

Repeated to Berlin and Rome.

<sup>13</sup> The later text read: 'his'.

<sup>14</sup> The later text read: 'personal'.

## No. 127

*Sir E. Phipps (Berlin) to Sir J. Simon (Received December 11)*

*No. 112 Saving: Telegraphic [W 14129/40/98]*

BERLIN, December 10, 1933

I have just been for a walk with the American Ambassador. I explained to him very briefly the difficulties we are having with the French. Mr. Dodd entirely shares our view in the matter, but says that he believes that President Roosevelt will be inclined to make co-operation with us in Europe contingent on greater co-operation with the United States in the Far East than we have hitherto shown.

Mr. Dodd then told me in the strictest confidence that Mr. Bullitt, the new United States Ambassador at Moscow, on his way through Berlin yesterday, gave him a personal message from President Roosevelt, saying that the President had kept postponing M. Litvinov's visit to the United States until certain ports in the Far East were nearly ice-bound: the reason being that he



feared that a Russo-American *rapprochement* would be the signal for Japan to open hostilities against Russia.

President Roosevelt is, Mr. Bullitt said, anxious that Great Britain should use all her influence on Japan to prevent the latter from making further encroachments in China.

Mr. Dodd told me, again in the strictest confidence, that his impression is that Mr. Bullitt is inclined to be hostile to Great Britain.

Mr. Dodd said that Mr. Bullitt would probably return about Christmas time to Washington via Paris to report to the President, and that, in view of his anti-British bias, it would be advisable to obtain American co-operation before his arrival in the United States of America.

No. 128

*Minute<sup>1</sup> by Mr. Eden*

[W 14274/40/98]

FOREIGN OFFICE, *December 11, 1933*

Signor Grandi came to see me this afternoon and in the course of our conversation said that he would take this opportunity to explain to me the purport of Signor Suvich's visit to Berlin. This visit had been arranged after a formal invitation from the German Government and after a series of visits from German personalities to Rome. The opportunity would be used to discuss the chief subjects which were now on the *tapis*. Signor Suvich was not going there to examine any single specific problem and his conversations would not, therefore, be limited to disarmament, though this subject would inevitably have its place in them.

A. E.

<sup>1</sup> This minute was sent to Rome on December 19 under cover of Foreign Office formal despatch, No. 1043.

No. 129

*Sir E. Phipps (Berlin) to Sir J. Simon (Received December 15)*

*No. 1245 [C 11008/319/18]*

BERLIN, *December 11, 1933*

Sir,

With reference to my telegram No. 262<sup>1</sup> of the 16th November, I have the honour to inform you that the Prime Minister of Prussia has, in his capacity as head of the secret police, issued a notice stating that, in view of the favourable results of the Reichstag election, particularly in the concentration camps, he feels that he will be able, without endangering the stability of the

<sup>1</sup> Not printed.

National Socialist movement, to take advantage of the Christmas celebrations to release about 5,000 of the prisoners now under detention.

2. In order, the notice continues, that the educational value of the period of detention may not be destroyed, releases are to be made in batches, and it is to be explained to the prisoners that they are being let out in accordance with the leader's wish that they may be able henceforward to take part in the life of the National Socialist community. It must also be made clear to them on release that if they attempt to abuse the generosity of the Nazi State they will be treated without pity and will be rendered incapable of ever doing any further harm again.

3. It is explained that the persons to be released will be principally chosen from those placed under protective arrest ('Schutzhaft') whose offence was comparatively mild or whose conduct since arrest has been blameless, and who can be trusted to engage in no activities against the Nazi State. Fathers of large families are to receive preference.

4. It is of some interest in this connexion that, in his monthly report for November, the British Vice-Consul at Stettin informs me that a new concentration camp was recently set up in the former shipbuilding yard 'Vulcan', and that persons known to be habitual criminals in Pomerania are being rounded up and placed in concentration camps.

I have, &c.,  
ERIC PHIPPS

### CHAPTER III

German replies to the British and French Notes:  
further Anglo-French discussion of the policy to  
be adopted towards the German demands: British  
Note of December 20 and French Note of  
January 1 to the German Government: Sir J.  
Simon's interviews with Signor Mussolini  
(December 12, 1933–January 14, 1934)

#### No. 130

*Sir E. Phipps (Berlin) to Sir J. Simon (Received December 12, 6.15 p.m.)*  
*No. 288 Telegraphic [W 14204/40/98]*

BERLIN, December 12, 1933, 6.0 p.m.

My telegram No. 109 Saving<sup>1</sup> of December 9.

French Ambassador tells me that as he saw the Chancellor on Sunday<sup>2</sup> night at a concert he sent him a message to say this was unfortunate in view of latter's excuse concerning his absence from Berlin over the week-end. M. François-Poncet was therefore received yesterday by the Chancellor and Baron von Neurath.

French Ambassador made the two reserves we expected viz. no German rearmament and no cancellation of Saar plebiscite. He indicated however that French Government did not in the least mean that these Franco-German conversations were over. The Chancellor took it for granted that French disarmament was impossible; but that was not the case and French Government were quite ready to discuss on *that* basis. European public opinion would not understand disarmament discussions ending in rearmament which would finally lead to race in armaments. Moreover this would be deplorable from financial point of view. Chancellor replied that in that case he awaited French disarmament proposals but he would not accept anything in the nature of a 'trial period'. As for the Saar, if plebiscite must take place he did not fear its result in the least but there would be no use in discussing now any economic questions regarding the Saar.

French Ambassador put several questions to the Chancellor such as nature of pacts proposed, did they give more than Locarno or less? In the latter case they would be of no interest to France. How long would Germany take

<sup>1</sup> No. 120.

<sup>2</sup> December 10.

to arm herself fully with 'defensive' weapons? The Chancellor would not specify this period as he considered that that would mean a reversion to the hated 'trial period'.

Finally the Chancellor asked the French Ambassador to repeat all his questions in writing. M. François-Poncet will do this if authorised by his Government.

He says both Chancellor and Baron von Neurath seemed to be in a bad temper and inclined to be obstructive.

Baron von Neurath whom I saw this morning merely told me that French Ambassador had not said anything new at his interview yesterday.

Repeated to Paris and Rome.

### No. 131

*Mr. Campbell (Paris) to Sir J. Simon (Received December 12, 9.45 p.m.)*

*No. 118 Telegraphic [W 14212/40/98]*

PARIS, December 12, 1933, 8.10 p.m.

I asked Secretary-General of Ministry of Foreign Affairs this afternoon what had passed yesterday between German Chancellor and French Ambassador in Berlin. He said that interview was merely that for which M. Poncet had applied in order to formulate the two reserves which he had been instructed to make (see my telegram No. 116)<sup>1</sup> pending full consideration of whole matter by French Government.

2. After making that relating to armaments, M. Poncet seemed to have added as a personal observation of his own, and making it clear that he had no instructions to do so, that certain features of Hitler's proposals were not clear to him such as duration of process of transformation of Reichswehr, status of parallel military formations, etc.

3. When he made reserve relating to the Saar Hitler replied that economic and industrial matters were so bound up with plebiscite that he did not see how the two could be separated.

4. Beyond that Hitler apparently made no comment or remark of any substance and confined himself to asking French Ambassador in Berlin to let him have an *aide-mémoire* of what he had said to him. This M. Poncet will do.

5. It looks as though Chancellor was intending to spin matters out in the hope of early advent of Government in France more favourable to the conversations.

Repeated to Berlin and Rome.

<sup>1</sup> No. 117.

No. 132

*Sir E. Phipps (Berlin) to Sir John Simon (Received December 13)*

No. 1251 [W 14205/40/98]

BERLIN, December 12, 1933

Sir,

With reference to my telegram No. 290<sup>1</sup> of today's date, I have the honour to transmit to you, herewith, translation of the Chancellor's reply to the private and unofficial letter which I addressed to Baron von Neurath on the 8th instant (of which a copy was forwarded to you in my despatch No. 1238<sup>2</sup> of that date).

2. Herr Hitler's reply was handed to me at 1 o'clock today by Baron von Neurath. Noticing its very official character, I remarked to His Excellency that I should nevertheless consider this document as private and confidential, like my communication was. Baron von Neurath, however, replied that it need not be considered to be confidential *vis-à-vis* of the other interested Powers.

3. Baron von Neurath was in a great hurry, as he had left Signor Suvich waiting in the next room, but he rapidly read over the document to me in case I had any preliminary questions to ask.

4. I remarked that in paragraph (I) it is only stated that Germany would be willing to conclude pacts of non-aggression with all her *neighbours*, whereas the Chancellor had mentioned certain other States to me on the 8th instant (see my telegram No. 282<sup>3</sup> of that date). Baron von Neurath replied that Herr Hitler would be quite ready to conclude such pacts with any other Power that wished.

5. In connexion with the period within which the Reichswehr would be transformed into a short-service army (IV), I asked what period was contemplated. Baron von Neurath replied four to five years; but said that that was a technical point which could only be settled by experts.

6. I am sending copies of this despatch and its enclosure to His Majesty's Ambassadors at Paris and Rome by post, and of the enclosure only to the American Ambassador, whom I have already warned, in case he should decide to cable to Washington the text of Herr Hitler's communication.

I have, &c.,

ERIC PHIPPS

P.S.—I have shown the French Ambassador the text of the Chancellor's communication.

E. P.

<sup>1</sup> Not printed.

<sup>2</sup> Not printed. Sir E. Phipps's letter was an almost exact copy of No. 105.

<sup>3</sup> No. 114.

*Herr Hitler to Sir E. Phipps*

(Translation.)

BERLIN, December 11, 1933

Your Excellency,

In the name of the German Government I have the honour to reply as follows to the enquiries addressed to me through Your Excellency on behalf of the British Government:—

I. The German Government is ready to enter into agreements which stipulate the rejection of force for the solution of all European questions, and which can thus be of service to the maintenance of world peace. In view, however, of past experiences, the German Government would propose to choose a form which makes it both possible and easier for the Governments, as well before their own consciences as also before their peoples, to accept such proposals at the earliest possible moment. This consideration leads the German Government to believe that the general agreements as to limitation of armaments should be crowned by a system of reciprocal and general non-aggression pacts, which would on principle prevent by treaty every appeal to force between the European nations, in order to lay compulsorily upon the Governments the obligation either to resolve difficult or critical problems by means of peaceful diplomatic intercourse, or, in the case of such intercourse being obviously impossible or fruitless, to prolong the negotiations until the general calming of the European situation should permit of a dispassionate examination and decision. In this way the fear of the British Government that such treaties might possibly result in internal [*sic*]<sup>1</sup> conflicts with the constitution of the League of Nations would be avoided and, on the other hand, every guarantee for the maintenance of peace would be provided.

The German Government is ready to conclude such pacts with *all* States surrounding Germany.

II. With a view to bringing about real disarmament, or alternatively a limitation and equalisation of armaments, the German Government is ready to enter into negotiations with all individual nations or their Governments in regard to the various subjects and figures to be discussed. The German Government does not, however, intend to take part in any conference before the basic question of the *actual equality of rights* of the German Reich has been decided, or alternatively before *this* equality of rights has been recognised by the nations participating in the conference. For on this condition alone can the German Government be answerable to the German people for its participation in a conference. The practical issue of such a conference for Germany, as a Power to which equality of rights had not been granted in advance, would inevitably be the procedure which has been familiar to us for the last fifteen years, and could only lead to identical results. This would be neither supportable for the honour of a great nation nor useful to the cause of peace.

It is, of course, true that the German Government agreed to the first Draft

<sup>1</sup> The original German text here reads: 'innere Konflikte mit der Völkerbundssatzung'.

Convention of the English Prime Minister MacDonald, which had disarmament as its basis for discussion. But it was not the *German Government* which abandoned this draft; but the other Powers, under the leadership of England, agreed amongst themselves upon a second draft. *This last has, however, never been recognised by Germany.*

If the German Government now allowed itself to put forward a suggestion of its own, they [*sic*] did so out of a sense of responsibility and for cogent reasons. *On the ground of its previous experience the German Government no longer believes that the highly armed States are, in fact, seriously determined to disarm.* Various statements made by leading statesmen have confirmed this opinion. Without going in detail into the various reasons, there are two essential facts which cannot be neglected:—

- (1) A reduction of the armaments of the other European States is, in effect, only to be envisaged if it is undertaken by all nations throughout the whole world. Nobody today, however, believes any longer in the possibility of such a general international disarmament.
- (2) The events of the last months make it appear more than doubtful whether measures of disarmament, even though they were earnestly intended by the Governments of certain countries, could be successfully laid before the Parliaments of those countries for ratification.

For this reason the German Government finds itself unable any longer to cherish an illusion which is calculated rather further to confuse than to improve the relations between the peoples. Having regard to practical reality, the German Government therefore feels bound to make the following declaration:—

- (a) Germany is the only State which has actually carried out the disarmament obligations imposed in the Peace Treaty of Versailles.
- (b) The highly armed States do not intend to disarm or feel themselves unable to do so.
- (c) Apart from other considerations, Germany has a right somehow or other to attain her equality of rights in the matter of her security.

In order to prevent a complete breakdown of the idea of disarmament and the limitless armaments' race of all against all which would inevitably follow it, the German Government feel it their duty to put forward a proposal:—

- (1) Germany receives complete equality of rights.
- (2) The highly armed States engage themselves mutually to engage in no further increase in their present armaments.
- (3) Germany becomes a party to this convention with the undertaking that she will, of her own free will, only make such moderate actual use of the equality of rights granted to her as could not be regarded as constituting any danger of aggression against any other European Power.

- (4) All States undertake certain obligations for the humane conduct of war or for the avoidance of the use of certain weapons of war against civilian populations.
- (5) All States accept an equal general control, which shall examine and guarantee the observance of these engagements.
- (6) The European nations guarantee each other the absolute maintenance of peace, by means of the conclusion of pacts of non-aggression, which after the lapse of ten years shall be renewed.

III. Under these conditions, however, the demanded increase of the figure of 200,000 men, which was accepted in the MacDonald plan, to 300,000 is not only not considerable, but on the contrary represents rather a worse situation for Germany. According to the first Draft Convention of the British Government, France should have received on the continent, exactly as Germany, an allotment of 200,000 men. Since France is evidently not prepared to carry through this measure of disarmament, the ratio between Germany's demands today and the effective strength of France and the other European armies would become even more unfavourable. A total French strength of 651,000 men, which would be increased to about 1.2 million men by the States connected by friendship to France, would be faced by 300,000 men in Germany.

In addition, the 9.6 million trained reserves in these States, to put against which Germany possesses practically nothing, represent a further security which could hardly be exceeded.

Accordingly the demands for equality in armaments for Germany are more than moderate, particularly since the German Government, for its part, is ready to renounce from the outset any offensive weapons which might conceivably appear threatening even to the gigantic French defensive system. Germany, who on her side is completely defenceless, has more reason to complain of the offensive weapons of the surrounding States than the latter have for representing the defensive weapons demanded by Germany on her side as a danger. The German Government must categorically reject any idea of so-called '*sample*' weapons ('Musterwaffen'). There are weapons which we renounce from the outset and which we shall, therefore, not manufacture, and there are weapons which are essentially necessary for the defence of a country, which we therefore cannot renounce and which we must accordingly insist upon as *normal armament*. The lowest limit for the calibre of the artillery could, therefore, for example, on no account be less than 15 cm.

IV. The German Reichswehr will, of course, be absorbed in the new army. But its absorption or remodelling cannot of course be accomplished in one year but will require a series of years.

V. The S.A. and S.S. are not military organisations. They are an inseparable component part of the political system of the National Socialist revolution and so of the National Socialist State. They include some 2½ million men ranging from the eighteenth year to extreme age. Their only task is, by means of this organisation of the political masses of our people,



to prevent for ever the return of the Communist peril. Whether this system can or will ever be abandoned depends upon whether this Bolshevistic-Communist peril remains or is removed. With military matters these National Socialist organisations, which stand in opposition to the former Marxist Reichsbanner and the Communistic Red-Front League, have absolutely no connexion whatever. The attempt to bring the S.A. and S.S. into military connexion with the Reichsheer, and to refer to them as military reserve formations, originates with those political circles which see in the removal of this protective organisation of the National Socialist State the possibility of a new disintegration of the German people and thus a new advance towards the Communistic goal. Just as the German Government would never take the liberty of proposing to the English Government the dissolution of any English party or of any particular form of organisation of such a party, the German Government must reject every demand for the putting into effect of such a wish in Germany. The German Government, when taking into account the military strength of other States, does not consider, in making its demands, any other formations than those of the actual army organisation. The German Government will also, in future, attach no political significance, which might affect its attitude, to such political, sportive or post-military societies as may be considered necessary in other States.

VI. The German Government is, as has been emphasised, ready, in principle, to agree to an international, general and identic system of control, functioning periodically and automatically. In order to prove the character of the S.A. and S.S. to be, as was emphasised above, that of *political* organisations for a general, spiritual and physical inoculation against the dangers of a Communistic upheaval, the German Government does not decline to provide proof, in the course of this control, that this definition is being accurately adhered to. In conclusion, I will add once again, in the name of the German Government, the assurance that in the event of the other nations—contrary to the expectation<sup>2</sup> of the German Government—deciding upon complete disarmament, the German Government declares in advance its readiness to accede to such a convention, and similarly to disarm, if necessary, to the last cannon and to the last machine gun.

I avail, &c.,

ADOLF HITLER

<sup>2</sup> The original German text here reads: 'falls entgegen der Überzeugung der deutschen Regierung'. Cf. No. 143, Enclosure 2, where this passage reads in translation: 'contrary to the conviction of the German Government'.

No. 133

*Letter from Mr. Stimson to Mr. MacDonald*<sup>1</sup>

[W 82/82/98]

NEW YORK, *December 13, 1933*

My dear Mr. MacDonald:

I have received your letter of November 27<sup>2</sup> and I deeply appreciate the spirit of fairness and friendship which has prompted it.

I shall be very glad to take advantage of your permission to show it in confidence to my successor in the Department, although I do not think there will be any lack of desire on his part to work with you in an effort to secure full cooperation between our two Governments in the naval problems of the future.

With many thanks for your courtesy,

I am, &c.,

HENRY L. STIMSON

<sup>1</sup> A copy of this letter was communicated to the Foreign Office by the Prime Minister on January 1, 1934.

<sup>2</sup> No. 85.

No. 134

*Lord Tyrrell (Paris) to Sir J. Simon (Received December 16)*

*No. 317 Saving: Telegraphic [W 14375/40/98]*

PARIS, *December 15, 1933*

I found on my return to Paris that the press was eagerly awaiting my arrival in the belief that I must surely be the bearer of a message indicating the policy which His Majesty's Government propose to pursue in the present dilemma. When it transpires that my baggage was innocent of any such content the disillusionment will be great, and there will doubtless be a revival of articles dilating on the hesitation displayed by His Majesty's Government in defining a clear and firm policy such as is held to be imperative in face of the threat of German rearmament implied in Herr Hitler's proposals. Disappointing however as it may be to the French, I see no harm, possibly some advantage, in the fact that His Majesty's Government are not yet ready to declare their intentions. I would like to put forward the following considerations in the hope that they may be of some small use in helping to clear the ground.

2. The present Government has taken its stand on no rearmament. I suspect M. Chautemps of being party to a bargain with M. Blum whereby the Socialists will abstain from attempting to bring the Government down on its financial proposals on condition it resists rearmament. In any case the Government is strongly under the influence in the background of M. Herriot who is now as violent against Germany as he was at one time anxious to

come to terms with her. Nor must we underrate the influence of M. Boncour for whom the Chancellor's demands represent the stultification of everything that he has stood for. Moreover, since these demands have become known, feeling in Parliament has undergone a revulsion from that at first created by Herr Hitler's overture. Lastly, and this is really the dominant consideration, M. Chautemps knows that, whatever its inclinations might be, his Government is not strong enough to initiate and carry through any radical departure from the policy of its predecessors.

3. M. Chautemps is the prisoner of these circumstances. If, therefore, he maintains his rigid attitude, one of two things must happen: either His Majesty's Government will come down eventually on the side of resistance to rearmament, or there will be a definite breach in Anglo-French co-operation. He would naturally prefer the former and he is encouraged to look forward to it by the fact that he cannot believe that His Majesty's Government will go back on all their professions to the extent of allowing the Disarmament Conference to end in rearmament. The rumblings in Labour and Liberal circles in England, freely reported in the French press, lend substance to this belief.

4. If the latter eventuality came about, France would have no resource left but to gather her remaining friends round her and take stock of the situation. She would then be faced up squarely to the cold fact (to which at present she still closes her eyes) that she must either compose with Germany or take military action. Her decision would depend largely on the identity of the politicians who happened to be to the fore and on the influence which they could bring to bear in the circumstances of the moment either individually or in combination. M. Herriot, for instance, would be against any arrangement under which France would voluntarily subscribe to German rearmament; incidentally he is the only man in France today who, if he made the attempt, could perhaps rouse opinion to the pitch of calling for military action. M. Daladier, unless something had supervened to change his mind, or he had thrown in his lot with M. Tardieu with whom he is said to be coquetting, would probably favour a composition with Germany. M. Tardieu would favour some firm policy based on France's strength; he is already talking of the need for restoring the period of military service to two years. In the end it might well be the public that would decide; it is conceivable that when confronted with an immediate choice between the two alternatives, the body of opinion which yearns for appeasement would so gain in strength as to prevail over the diehards and impose a composition with Germany.

5. All this, however, is highly speculative; it is quite impossible to trace a way through the maze of intrigue, play and counter-play which more than ever today dominate French politics. The best we can do in the circumstances is to cater for the probability that either the present Government or another resembling it will be in power when the General Commission meets.

6. In that event M. Chautemps (or his successor), if he adheres rigidly to the present attitude, will confront his country with the necessity of choosing

between the two alternatives referred to in the preceding paragraph. I find it difficult to believe that he will face that situation. For the reasons described in paragraph 2 above he cannot take the initiative himself, but if His Majesty's Government were to take the lead and come forward with some definite plan which took account of the French difficulties, I think it conceivable that he might come into line. Such a plan would have to be based on *disarmament*; the present Government could not forsake the principle that equality of status must be effected by disarmament on the part of the highly armed Powers rather than by rearmament on the part of Germany. But if some middle way could be found involving a measure of disarmament by France and a mild measure of rearmament by Germany it is just possible (I will not put it higher than that) that M. Chautemps would take it rather than face a definite breach with Great Britain. If Herr Hitler's demand for 300,000 men, which is now generally known and freely referred to in the press, could be reduced to 200,000, it would give the French Government something to put into the balance on their side of the scale. They would be ready to abandon the idea of two periods in name, but how far they would admit that the agreed measure of German rearmament and the agreed measure of French disarmament should proceed *pari passu* I cannot say. The extent to which they would go would, as has always been the case, be governed by the extent to which His Majesty's Government would go in the matter of guarantees of execution. Putting details aside I feel that Hitler's acceptance of supervision and his willingness that it should apply to the para-military formations should make it possible to devise some scheme which the French Government, though they would reject it today, might conceivably accept when they have finally realised that His Majesty's Government do not intend to support them in their present attitude. They would, I think, require an assurance that if the plan were rejected by Hitler, His Majesty's Government would nevertheless stand firm and would not again say that as it had failed to produce agreement some other plan (i.e. further concessions by France) must be found.

7. You will appreciate that the supposition which I have reached above is based on guesswork. The official attitude remains that described in previous telegrams from this Embassy, i.e. no rearmament by Germany. I think however that it contains a certain element of bluff and that the French Government are banking to some extent on public opinion forcing His Majesty's Government to take an equally firm stand against rearmament. I can hardly believe that when it came to the pinch they would be so bold as to reject an arrangement which, while admitting a small measure of German rearmament, would be more advantageous to them than the absence of any agreement.

No. 135

*Sir G. Clerk (Brussels) to Sir J. Simon (Received December 26)*

*No. 631 [W 14640/40/98]*

BRUSSELS, December 18, 1933

Sir,

With reference to my despatch No. 622<sup>1</sup> of the 15th December, I have the honour to report that the Minister for Foreign Affairs asked me to come and see him this evening, in order to give me a copy of a note which he had just sent to Paris.

2. M. Hymans told me that on Saturday the French Ambassador asked for his advice in the matter of the Berlin-Paris conversations, of the course of which M. Claudel gave the Minister for Foreign Affairs a full account. M. Hymans seems to have spoken to my French colleague much as he spoke to me, as recorded in my despatch referred to above, but said that he was only expressing a personal view, and the considered opinion of the Belgian Government must await a study of the information which the Ambassador had communicated to him by the Belgian Cabinet.

3. The result of the deliberations of the Belgian Government is contained in a note of the 16th instant to the French Government, of which a copy is enclosed herein. The essence of the note is that Paris must continue to talk with Berlin, for, as M. Hymans said to the French Ambassador: 'Call them discussions, negotiations, conversations, *entretiens*, what you like, there they are, and they must be kept alive, for the alternative can only lead to disaster.'

4. Speaking in strict confidence, which he begged might be scrupulously respected, the Minister for Foreign Affairs said that in France there was an important section of public opinion which was strongly opposed to any direct conversation between Paris and Berlin, a fact of which he was well aware, and that M. Flandin, who was lunching with His Excellency today, had told him that two of the most powerful influences working in that direction were M. Paul-Boncour and M. Herriot.

5. I thanked M. Hymans for his communication. His Excellency replied that he attached the greatest importance to keeping His Majesty's Government fully informed of the views and policy of the Belgian Government and he repeated his hope that His Majesty's Government would likewise keep him aware of their views on the present critical situation.

I have, &c.,

GEORGE R. CLERK

<sup>1</sup> Not printed.

*Note from Belgian Government to French Government*

BRUXELLES, le 16 décembre 1933

1. Le Gouvernement belge est vivement reconnaissant au Gouvernement français de l'avoir si complètement et si loyalement renseigné sur les propositions allemandes en matière de limitation des armements.

La Belgique, voisine immédiate de l'Allemagne, est l'un des pays les plus directement exposés au péril de la guerre. Pour assurer la défense de son territoire, elle vient de s'imposer de nouveaux et lourds sacrifices. Aussi, le Gouvernement belge considère-t-il comme un devoir d'exprimer son sentiment, dans des conjonctures dont dépendent la paix et la sécurité nationale.

2. L'Allemagne prépare son réarmement total. Celui-ci, s'il n'est pas encore effectué, pourrait l'être rapidement. Le but essentiel, dès lors, doit être de l'arrêter, de lui imposer une limite et d'instituer un contrôle aujourd'hui complètement inexistant. Ce résultat ne pourrait être atteint, dans les circonstances actuelles, que par des négociations diplomatiques, conduisant à une convention internationale.

3. Le Gouvernement français a nettement écarté tout recours à la force, auquel d'ailleurs les Pactes en vigueur font obstacle.

Il a, de même, écarté jusqu'ici le recours à l'article 213. Outre que toute tentative d'appliquer ses dispositions s'avérerait probablement vaine et inefficace, elle consommerait définitivement la rupture et rendrait toute entente impossible. Le danger d'un réarmement sans limite ne tarderait pas à apparaître.

4. La Conférence du Désarmement s'est heurtée à de graves difficultés qui l'ont obligée à suspendre momentanément ses délibérations. Le Bureau a reconnu, à la suite de consultations entre les principales Puissances, qu'une 'utilisation complète des rouages diplomatiques' était nécessaire pour surmonter ces obstacles, et il a exprimé l'espoir que 'ces efforts seront immédiatement entrepris avec énergie'. S'ils n'étaient pas accomplis ou s'ils échouaient et si, par conséquent, la Commission générale devait se réunir sans que des négociations préalables eussent préparé un terrain d'entente, on ne pourrait que constater une nouvelle carence. Des discussions publiques feraient surgir des dissentiments et l'on peut redouter que la solidarité des grandes Puissances qui s'était manifestée en octobre dernier ne se reconstituerait pas. Ce serait pour la Conférence du Désarmement, sinon pour la Société des Nations tout entière, une crise fatale.

L'échec de la Conférence ne pouvant plus être dissimulé, l'Allemagne n'en profiterait-elle pas pour se déclarer déliée de ses obligations, et ainsi se trouverait réalisé le péril que nous redoutons.

5. Le Gouvernement allemand a formulé des propositions par la voie diplomatique, ainsi que le Bureau de la Conférence l'avait prévu le 22 novembre. Elles sont conçues en termes très généreux (? généraux).<sup>1</sup> Des

<sup>1</sup> This emendation was suggested in the Foreign Office.

précisions s'imposent avant qu'il soit possible de prendre définitivement attitude à leur sujet.

Il y a désaccord sur des points importants, le chiffre des effectifs et le matériel demandés par l'Allemagne. Sur d'autres points, il est permis de constater une concordance de vues. Ils sont relatifs au principe des armées terrestres à court temps de service, à l'interdiction de la guerre chimique et bactériologique, au contrôle international.

6. Le Gouvernement français a déclaré ces propositions inacceptables. Si nous sommes bien renseignés, il a toutefois réservé sa décision au sujet de l'ouverture de négociations officielles.

7. Le Gouvernement du Roi se préoccupe vivement de la suite des pourparlers commencés. Il craint que leur interruption n'entraîne de fâcheuses conséquences. Il mesure les difficultés du moment. Mais après mûre réflexion, il croit que la politique la plus sage et la plus prévoyante serait de poursuivre les entretiens sur un plan positif, et de formuler un programme concret.

Ce programme comprendrait, dans notre esprit, deux éléments essentiels.

Il faudrait, comme nous l'avons dit au début, assigner une limite exacte des armements de l'Allemagne, effectifs et matériel. Sans doute, l'Allemagne a déjà procédé à certains réarmements et l'on ne saurait faire abstraction de la situation de fait actuellement existante. Mais pour empêcher l'Allemagne de poursuivre son réarmement total, il semble indispensable de fixer une limite précise et, pour éviter toute transgression, d'organiser un contrôle efficace, automatique et permanent.

On ne peut oublier, d'ailleurs, les dispositions relatives aux effectifs que renfermait le projet britannique, admis par la Conférence du Désarmement comme base d'une future convention.

D'autre part, les grandes Puissances ont admis le principe de l'égalité de droit. Et l'on ne saurait éviter d'en tenir compte dans la solution du problème.

Le second élément essentiel qu'il importe de définir, est la sécurité. Celle-ci peut déjà se trouver accrue par l'instauration d'un contrôle international auquel la Belgique et la France ont toujours attaché une importance capitale. Ce contrôle devrait fonctionner immédiatement et s'appliquer dès le moment où commencerait à se poursuivre, par étapes, l'application de la convention. Le Pacte rhénan doit, d'autre part, demeurer la base fondamentale de la sécurité des frontières occidentales; mais il y aurait lieu d'examiner l'accroissement de sécurité qui pourrait résulter de pactes de non-agression qui viendraient s'y ajouter.

D'autre part, les travaux de la Conférence ont mis en lumière certaines garanties générales, telles que la consultation des États et l'institution d'une procédure de constatation en cas d'agression ou de menace d'agression.

Il semble possible d'établir un système de sécurité en coordonnant ces divers éléments.

8. Le Gouvernement du Roi, en exprimant ses sentiments en toute loyauté, est convaincu qu'il répond au désir du Gouvernement de la Ré-

publique en même temps qu'à l'esprit de franche et sincère collaboration qui n'a jamais cessé d'animer l'un envers l'autre la France et la Belgique.

No. 136

*Sir E. Drummond (Rome) to Sir J. Simon (Received December 19, 6.50 p.m.)*

*No. 382 Telegraphic [W 14473/40/98]*

ROME, December 19, 1933, 5.50 p.m.

Baron Aloisi again emphasized to me last night urgency of an agreed settlement on armaments.

He said German demands were increasing every week and would continue to increase. I said now we had received Chancellor's offer in writing Germany would presumably have to adhere to its terms. He replied that offer had only been communicated semi-officially and was sufficiently vague to allow Germany considerable latitude when it came to concrete interpretations.

He is relying much on a meeting between you and Signor Mussolini.

Repeated to Paris and Berlin.

No. 137

*Sir E. Drummond (Rome) to Sir J. Simon (Received December 28)*

*No. 982 [W 14700/40/98]*

ROME, December 19, 1933

Sir,

I have the honour to inform you that I went to see Signor Suvich this evening in order, nominally, to inform him of your projected visit to Capri.<sup>1</sup> I ventured to tell him in this connexion that I thought it likely, though nothing was yet definitely arranged, that you would come to Rome at the beginning of the new year in order to pay your respects to the Head of the Government. Signor Suvich said that he was most glad to learn that you would probably visit Rome. He considered it of the highest importance that you should have an exchange of views with Signor Mussolini. The situation as regards disarmament was becoming very serious and urgent. He saw no possibility of the French and the Germans reaching an agreement if left alone. The German Government had gradually increased their demands, while the French Government had not budged from their original position. At present the former were abiding by the proposals they had made to Sir Eric Phipps, since they still hoped for agreement on such a basis, but once they were convinced that no agreement could be reached, then they would certainly begin rapidly to rearm. Though he did not think they had as yet

<sup>1</sup> Sir J. Simon left England on December 21 for a holiday in Capri. On the return journey he visited Rome, January 2-5, 1934.



gone very far in this direction, they were, in fact, already becoming somewhat impatient. It was for these reasons that he attached so much importance to your visit, and he trusted that you would be prepared to remain in Rome at least two, and even better, three days.

2. Signor Suvich then told me in detail of the conversations which he had had with the German Chancellor regarding disarmament. He prefaced these remarks by saying that he believed that Hitler was absolutely sincere and that he was the dominant force in the Government. It was true that he did not go into detail in the same way as did Signor Mussolini, and therefore on detail sometimes he might not be accurate; but the general lines of policy were determined by him and what he said was decisive. The Chancellor had given him verbally the information which he had already conveyed to Sir Eric Phipps. Signor Suvich had remarked that he considered the number of 300,000 men excessive, but the Chancellor insisted that he could not take less because the figure of 300,000 put him *vis-à-vis* France in a worse position than he would have been under the original British Draft Convention. France had today over 600,000 men, while he was only asking for 300,000. Signor Suvich enquired whether the Chancellor could not be satisfied as regards material with smaller amounts, increasing by stages as time went on. This would calm French fears to some extent. The Chancellor replied that this was impossible. He could not agree to stages, because he would be replacing the Reichswehr by a short-term army of 300,000 men, and it was necessary that they should receive proper training. Secondly, it was much easier and cheaper to manufacture all these arms at one time. And, lastly, he could not give way on this point for reasons of prestige, for the honour of the nation demanded such a measure of defensive rearmament. As to the S.S. and S.A., he repeated to Signor Suvich what he had already said to Sir Eric Phipps in regard to these organisations.

3. I asked Signor Suvich whether he thought that the Germans would be prepared to bargain about these figures. He shook his head, and said that they might be prepared to give way a little, but a very little. The figures and ideas emanated from the Chancellor himself, and he did not think there was much chance of the proposals being diminished. At the same time, there was one question to which he gathered that the Chancellor and the German Government attached great importance, and if this was satisfactorily settled concessions were more likely to be made on armaments matters. He referred to the Saar. He said that the Chancellor was looking for some victory of prestige in foreign affairs. He had not obtained this as regards Austria. If, however, he could say that he had secured the return of the Saar territory to Germany two years before the plebiscite, this would be a signal success. (Of course, it may be that Signor Suvich laid so much stress on the Saar problem because he thought that if the Chancellor succeeded here Nazi pressure on Austria would diminish.) When he was speaking of the Saar, I said to him that, to the best of my recollection, in the negotiations of 1929-30 between Germany and France all questions relating to the Saar were to have been discussed, and that if a settlement had been reached the plebiscite would

have been abandoned.<sup>2</sup> I was therefore somewhat astonished to see the instructions which the French Government had given to their Ambassador in Berlin on this subject. My general impression is that Signor Suvich considers the Saar to be the best card which France now holds in regard to an immediate arrangement with Germany.

4. Signor Suvich said that he had discussed the question of League of Nations reform with Herr von Neurath and Herr von Bülow. Neither the Chancellor nor General Göring had shown any interest in the subject. The German Foreign Office had said that they agreed generally with the criticisms which had been put forward in Italy concerning the League, but that they would not return to an institution in which they found themselves so completely isolated as had recently been the case at Geneva. Germany was much happier in the presence of other Great Powers than in that of a number of small States.

5. I observed that Germany, when she entered the League, had the sympathy of many small States, such as the Scandinavian countries, Holland and Switzerland. If she had pursued a different policy she certainly would not have been isolated. Signor Suvich remarked that this was perfectly true, and that it was Germany that had brought isolation on herself, and the League could not be blamed for it.

6. He had then broached the question of Austria with the Chancellor. Herr Hitler stated that he did not desire the 'Anschluss', but that he could not approve of an anti-German policy in Austria. To this Signor Suvich replied that he believed Dr. Dollfuss to be thoroughly Germanic, but that as an Austrian patriot he could not allow the independence of Austria to be threatened. Signor Suvich did not think that he had made much impression on the Chancellor, although the latter listened carefully to what he said. He told me that he would shortly be going to Vienna to return Dr. Dollfuss's visit to Rome. Dr. Dollfuss had let it be known that his visit to Berlin without a further visit to Vienna would be misunderstood by and discourage the Austrian people. Signor Suvich thought it most important that everything should be done to encourage Dr. Dollfuss, and that we should all talk as if we were certain that he would be successful in his struggle to preserve Austrian independence. He himself thought he would succeed.

7. He again reverted, as I left, to the immense importance he attached to the conversations which he hoped you would have with Signor Mussolini.

8. I have sent copies of this despatch to His Majesty's Ambassadors at Paris and Berlin.

I have, &c.,

ERIC DRUMMOND

<sup>2</sup> A Foreign Office memorandum dated December 29 stated that the files were 'somewhat obscure as regards the basis of the Franco-German negotiations on the Saar during 1929 and 1930'. It appeared to have been the intention of the French Government to reserve their position regarding the political side of the negotiations until agreement had been reached on the economic questions. The negotiations broke down on the question of the administration of the Saar mines. See also Volume I of this Series, No. 309.

No. 138

Lord Tyrrell (Paris) to Sir J. Simon (Received December 20, 4.40 p.m.)

No. 119 Telegraphic [W 14515/40/98]

PARIS, December 20, 1933, 3.20 p.m.

My despatch No. 1728.<sup>1</sup>

Whilst official circles are somewhat reserved in regard to M. Benes' visit, I learn that the latter himself was well pleased with its results.

2. In particular he was gratified to find that French Government were absolutely firm in their opposition to any fundamental revision of the Covenant.

3. M. Benes stated that he was opposed to any direct German-Czech agreement on the lines suggested by Hitler. Even if Hitler himself were flexible, force of Nationalist opinion in Nazi Germany must render any such policy on his part dishonest and futile.

4. M. Benes doubtless used his influence towards stiffening of French Government against further concessions to Germany in the matter of re-armament. I much doubt, however, whether French Government have in any way committed themselves to M. Benes.

5. I believe Monday's<sup>2</sup> visit to have served above all a spectacular purpose especially as regards Berlin but I should doubt any very definite engagements having been taken by either party.

6. The most positive piece of information on the subject which has reached me is that M. Benes was strongly urged to be helpful to Vienna and that he readily responded.

Repeated to Berlin, Rome and Prague.

<sup>1</sup> Not printed. This despatch enclosed the text, as printed by the 'Temps', of statements made on December 17 by M. Paul-Boncour and M. Benes. The latter visited Paris from December 14 to 18.

<sup>2</sup> December 18.

No. 139

Sir E. Phipps (Berlin) to Sir J. Simon (Received December 21, 9.30 a.m.)

No. 302 Telegraphic [W 14552/40/98]

BERLIN, December 20, 1933, 9.45 p.m.

In reply to an *aide-mémoire* left by French Ambassador<sup>1</sup> German Minister for Foreign Affairs handed to His Excellency on December 18 a memorandum similar to that handed to me on December 11 [12].<sup>2</sup>

Copy of this document was given to me tonight by Minister for Foreign Affairs.

<sup>1</sup> See Enclosures in No. 143 for the text of the French *aide-mémoire* and an English translation of the German reply. A French translation of the latter was also communicated to H.M. Embassy in Paris by the French Government on December 21.

<sup>2</sup> See No. 132.

Difference between the two documents lies in allusion to special points at issue between France and Germany and also to specific question[?] put to German Government in French Ambassador's *aide-mémoire*. The following is summary of German Government's remarks on these points.

1. If French Government are prepared to disarm in accordance with a precise programme of disarmament German Government requests a statement in figures of disarmament measures, which France will undertake (personnel, material, length of time, entry into force, control). German Government cannot see how assimilation of German armaments to requirements of German security and their partial equalisation with armaments of neighbouring States can lead to a general increase of armaments, and to a beginning of an armament race. The German proposals refer exclusively to defensive armaments. They are so moderate that superiority of French armaments remains. Moreover, they exclude any race in armaments for reason that highly armed States will undertake not to increase their armaments.

2. The figure of 300,000 men corresponds to army strength which Germany requires in relation to length of frontier and to army strength of neighbours. The conversion of Reichswehr into a short service army of 300,000 men will naturally take several years. For length of conversion period the financial aspect is of vital importance. As regards length of time over which armament would be spread this would proceed step by step with conversion of Reichswehr. At what stage I suppose [*sic*] control would be begun can only be decided when basic agreement has been reached.

3. The pacts of non-aggression which Germany is ready to conclude with all limitrophe States will conform in substance to post-war practice. Whether and to what extent as regards Franco-German relations the Locarno Pact calls for special consideration is a juridical and technical question which can be left for further discussion.

4. The German Government is ready at any time to settle equitably in most suitable way any differences between France and Germany.

5. If the French Government take the attitude that they cannot agree to a return of the Saar without a plebiscite the German Government regard this question as disposed of.

6. The German Government having once more declared their attitude can only look forward to a successful continuation of conversations if other Governments now make a categorical statement of their attitude.

Repeated to Paris.

No. 140

*Sir E. Phipps (Berlin) to Sir J. Simon (Received December 22)*

No. 1280 [W 14627/40/98]

BERLIN, December 20, 1933

Sir,

As I had the honour to acquaint you in my telegram No. 301<sup>1</sup> of today's date, I handed to Baron von Neurath this afternoon the reply<sup>2</sup> of His Majesty's Government to the note addressed to me by the German Chancellor on the 11th instant.<sup>3</sup>

2. Baron von Neurath assured me that this communication would be forwarded to Herr Hitler at Munich without any undue delay. He remarked, however, that he welcomed the short respite that would be afforded by the approaching Christmas holidays as being likely to set matters in a truer perspective.

3. I asked His Excellency to let the Chancellor know that I was at his entire disposal either here or at Munich, from whence I gather he will only return for a few hours on New Year's Day in order to be present at the President's reception.

4. A copy of my note to Herr Hitler is enclosed herein.

5. I am sending copies of this despatch to His Majesty's Ambassadors at Paris, Rome and Washington.

I have, &c.,

ERIC PHIPPS

<sup>1</sup> Not printed.

<sup>2</sup> Sir E. Phipps visited London for consultations from December 14 to 19 and took instructions back with him to Berlin. Certain textual amendments were telegraphed to him on December 19.

<sup>3</sup> See Enclosure in No. 132.

ENCLOSURE IN NO. 140

*Sir E. Phipps to German Chancellor*

BERLIN, December 20, 1933

Your Excellency,

His Majesty's Government in the United Kingdom are giving their earnest consideration to the communication which you were so good as to address to me on the 11th December.

2. I have now been instructed by His Majesty's Principal Secretary of State for Foreign Affairs to seek elucidation of certain points which arise out of Your Excellency's communication, and to draw the attention of the German Government to certain considerations. In so doing, I am directed to make it clear that His Majesty's Government in the United Kingdom must not be understood to be expressing at this moment any opinion on the German Government's proposals as a whole. They feel, however, that, in

order to secure the best prospect of ultimate agreement, it is important that the following matters should be noted and, where necessary, elucidated.

3. (1) His Majesty's Government gather from the German text that—

(a) The proposed non-aggression pacts cover all questions, political, territorial and economic, arising between Germany and the European nations, particularly all States surrounding Germany.

(b) Such pacts would not be inconsistent with the obligations of members under the Covenant of the League of Nations.

(2) His Majesty's Government understand, moreover, that the Chancellor has reaffirmed the whole of Germany's obligations under the Treaties of Locarno.

(3) His Majesty's Government refute categorically the Chancellor's assertion that other Powers under the leadership of Britain abandoned the British Draft Convention for a second draft. The action of His Majesty's Government and the nature of the suggestions made in October have been fully explained in public on several occasions, more particularly in the Secretary of State's speech in the House of Commons on the 13th November.

(4) As regards the three propositions, (a), (b) and (c) of the declaration in Part II of the Chancellor's communication, His Majesty's Government do not dispute (c), but cannot agree to the implication of (a) and (b). They would further remind the German Government that all countries represented at the Disarmament Conference accepted as a basis the British Draft Convention with its large measure of disarmament, and all those countries, except Germany, are ready to resume discussions at Geneva in January.

(5) His Majesty's Government take note of the German Government's proposal that all States should accept 'an equal general supervision which shall examine and guarantee the observance' of the engagements entered into. This supervision the German Government describe as 'an international, general and identical system functioning periodically and automatically'.

(6) His Majesty's Government cannot accept the arguments on which the German Government base their claim for 300,000 men involving, in its turn, a correspondingly large total of arms. Apart from technical questions, so large a figure will be universally regarded as a most formidable increase and produce disastrous effects on the mind of Europe. In the British Draft Convention parity between Germany and the metropolitan forces of France was proposed at 200,000 men. Parity on this basis seems to His Majesty's Government to be the proper comparison. In any case, the total French strength quoted in the German memorandum appears to be greatly in excess of the strength of the French metropolitan army as given in the League of Nations Year Book'.<sup>1</sup>

(7) His Majesty's Government take note of the German Government's renunciation from the outset of any offensive weapons which in the view of

<sup>1</sup> Owing to 'an unfortunate misunderstanding' the last three sentences of this paragraph were omitted from the note delivered on December 20. They were added on December 22.

the latter might appear to threaten their neighbours. The German Government demand only 'normal armaments' for defence, but these are to include 155 millimetre guns. His Majesty's Government would wish to be informed what are the categories of weapons included in the definition 'normal armaments' and what are the quantities. Would, for example, such armaments include tanks and military aircraft, and, if so, in what quantities and of what categories?

(8) His Majesty's Government understand that the Reichswehr will be absorbed in the new army over a period of four or five years. They would be glad to know how the peace organisation of the German army under Herr Hitler's proposal would compare with the three cavalry divisions and seven infantry divisions of the existing Reichswehr.

(9) His Majesty's Government note that the German Government are prepared to assure by a system of international, periodic and automatic supervision that the S.A. and S.S. have no connexion whatever with military matters, and assume that a similar assurance will be provided in respect of the new Labour Corps, of which no mention is made.

I avail, &c.,  
ERIC PHIPPS

#### No. 141

*Sir E. Phipps (Berlin) to Sir J. Simon (Received December 21, 1.10 p.m.)*

*No. 303 Telegraphic [W 14576/40/98]*

BERLIN, December 21, 1933, 12.48 p.m.

French Ambassador tells me that he has suggested to M. Boncour desirability of inserting in text of possible future convention with Germany clause stipulating that any violation thereof by one party established by supervisory commission, and not subsequently rectified by that party, shall be regarded as infraction of non-aggression pacts. M. Boncour will probably urge this consideration upon you tomorrow.<sup>1</sup>

Herr Hitler has always told French Ambassador and me that if non-aggression pacts were violated all the signatories would unite against aggressor. It is, however, naturally essential that he should not be able to take refuge behind these pacts to violate certain clauses of convention itself.

Manner in which the Chancellor might receive such suggestion would be fairly searching test of his good faith.

Repeated to Paris.

<sup>1</sup> Sir J. Simon visited Paris on December 22 on his outward journey to Capri. See No. 144.

No. 142

*Sir E. Phipps (Berlin) to Sir J. Simon (Received December 22)*

*No. 115 Saving: Telegraphic [C 11225/2092/3]*

BERLIN, December 21, 1933

The Italian Ambassador tells me that during the discussions here with Signor Suvich Austria took up a large part of the time.

Herr Hitler seemed to attach special importance to the desirability of conversations taking place between Herr Dollfuss and Herr Habicht,<sup>1</sup> for whom Herr Hitler apparently entertains a feeling of particular friendship. Signor Suvich pointed out how difficult it would be for the Austrian Chancellor to receive Herr Habicht, but was unable to move Herr Hitler. It emerged as a result of further conversations with General Göring that if ever the National Socialists came to power in Austria Herr Habicht intended to become a naturalised Austrian citizen (with a view, of course, subsequently to entering the Ministry).

Signor Suvich informed the Germans that during his approaching visit to Vienna, without in any way assuming the part of mediator, he would inform Dr. Dollfuss of the German desire to resume conversations with Austria and, if possible, to arrive at some peaceful conclusion of the Austro-German controversy.

Repeated to Paris, Rome and Vienna.

<sup>1</sup> 'Land Inspector' of the National Socialist Party in Austria.

No. 143

*Sir E. Phipps (Berlin) to Sir J. Simon (Received December 22)*

*No. 1284 [W 14629/40/98]*

BERLIN, December 21, 1933

Sir,

With reference to my telegram No. 302<sup>1</sup> of the 20th December, I have the honour to transmit to you herewith a copy of the *aide-mémoire* left with the Minister for Foreign Affairs by the French Ambassador on the subject of disarmament, together with the text<sup>2</sup> and a translation of the German Government's reply.

2. The underlined passages in the translation<sup>3</sup> are those which have been textually transposed from the Chancellor's reply to me of the 11th December.<sup>4</sup>

I have, &c.,

ERIC PHIPPS

<sup>1</sup> No. 139.

<sup>3</sup> Printed here in italics.

<sup>2</sup> Not printed.

<sup>4</sup> See Enclosure in No. 132.



*Aide-mémoire left with German Minister for Foreign Affairs by French Ambassador*

[13 décembre, 1933]

Se référant à l'entretien qu'il a eu, le 24 novembre 1933, avec le Chancelier du Reich, et sous réserve des délibérations plus approfondies auxquelles le Gouvernement de la République française procédera, aussitôt que le débat financier en cours devant le Parlement lui en laissera le temps, l'Ambassadeur de France a indiqué, le 11 décembre, que son Gouvernement ne croyait pas pouvoir se rallier à la thèse selon laquelle il serait établi que tout désarmement doit être considéré comme impossible.

Le Gouvernement français persiste à estimer que cette preuve n'est point acquise et que de nouveaux efforts doivent être tentés pour parvenir à un résultat, seul de nature à consolider la paix en allégeant les charges écrasantes que les budgets militaires font peser sur les peuples.

Il serait à craindre qu'un réarmement partiel de l'Allemagne ne conduisît à un réarmement général et à la reprise de la course aux armements.

La France a adhéré, à Genève, à un programme précis de désarmement. Elle ne renonce pas à l'espoir que ce programme pourra être adopté et réalisé.

2. L'Ambassadeur a ajouté que le Gouvernement de la République n'en demeurerait pas moins soucieux de ne négliger aucune occasion d'étudier sous tous leurs aspects et avec bonne volonté les suggestions présentées par le Gouvernement du Reich. A cet égard, l'Ambassadeur a déclaré qu'il attacherait du prix à pouvoir transmettre à son Gouvernement des éclaircissements supplémentaires sur les points suivants :

Le chiffre de 300,000 hommes, envisagé pour la future armée du Reich, est-il susceptible de discussion et de réduction?

Dans quel délai s'effectuerait la transformation de la Reichswehr en une armée de service à court terme?

Le nombre des armes défensives (tanks de 6 tonnes, canons de 15 [cm.], avions) que demande l'Allemagne, peut-il être précisé?

Dans quel délai l'Allemagne pense-t-elle se procurer cet armement?

Le contrôle international serait-il automatique et périodique?

Serait-il institué dès la signature de la convention?

Quel sera le statut futur des S.A. et des S.S.?

Dans les délibérations de Genève, il avait toujours été admis que la formule d'une armée de service à court terme recrutée par la conscription excluerait l'existence de tous autres groupements, dont les membres recevraient une éducation militaire ou se livreraient à des exercices de caractère militaire. Dans la conception allemande, les S.S. et les S.A. coexisteraient-elles avec l'armée nouvelle de service à court terme et de conscription?

Le Gouvernement allemand se prêterait-il à l'adoption de règles communes qui permettraient de définir le caractère des associations politiques et des formations pré- ou para-militaires dans les divers pays?

Le contrôle s'étendrait-il à ces formations?

Comment le Gouvernement du Reich conçoit-il les pactes de non-agression dont le Chancelier a parlé?

Comment conçoit-il, en particulier, un pacte éventuel entre la France et l'Allemagne, différant du Pacte de Locarno?

Comment le Gouvernement du Reich conçoit-il un essai d'apurement des litiges qui se posent entre la France et l'Allemagne et sur quelles questions devrait, à son avis, porter cet essai?

3. En ce qui concerne spécialement le problème de la Sarre, l'Ambassadeur a indiqué que le Gouvernement de la République ne croyait pas pouvoir renoncer au plébiscite prévu par le Traité de Versailles, priver la population du territoire d'un droit qui lui avait été solennellement reconnu et intervenir ainsi sur un domaine qui est du ressort de la Société des Nations.<sup>1</sup>

<sup>1</sup> This *aide-mémoire* is printed in the French official publication, *Négociations relatives à la réduction et à la limitation des armements* (Paris, 1934), Document No. 6.

#### ENCLOSURE 2 IN NO. 143

##### *German Government's Reply to French Aide-mémoire*

(Translation)

*December 18, 1933*

##### *Memorandum*

##### I

In view of the attitude adopted in the course of the Geneva disarmament negotiations by the highly armed Powers, and in particular by France, the German Government is unable to share the belief that a serious realisation of general disarmament can at present be reckoned with. The German Government is convinced that the resumption of new efforts in this direction would remain as fruitless as the negotiations during the last years. Should this fear prove unjustified, nobody will be more pleased than the German Government.

Without examining in detail the many considerations on which the view of the German Government is based, there are two essential facts which it is not possible to ignore.

(1) *A reduction of the armaments of the other European States is, in effect, only to be envisaged if it is undertaken by all nations throughout the whole world. Nobody today, however, believes any longer in the possibility of such a general international disarmament.*

(2) *The events of the last months make it appear more than doubtful whether measures of disarmament, even though they were earnestly intended by the Governments of certain countries, could be successfully laid before the Parliaments of those countries for ratification.*

*For this reason the German Government finds itself unable any longer to cherish an illusion which is calculated rather further to confuse than to improve the relations between the peoples. Having regard to practical reality, the German Government therefore feels bound to make the following declaration:—*

(a) *Germany is the only State which has actually carried out the disarmament obligations imposed by the Peace Treaty of Versailles.*

- (b) *The highly armed States do not intend to disarm or feel themselves unable to do so.*
- (c) *Apart from other considerations, Germany has a right somehow or other to attain her equality of rights in the matter of her security.*

These were the conclusions on which the German Government acted when it made its last proposal for the settlement of the problem. The reference to the fact that France agreed at Geneva to a precise programme of disarmament, in no way alters these conclusions. For the programme to which reference is clearly made contains conditions which were unacceptable to Germany and which therefore compelled the German Government to leave the Geneva Disarmament Conference.

*If contrary to the conviction<sup>1</sup> of the German Government the other nations nevertheless decide upon complete disarmament, the German Government declares in advance its readiness to accede to such a convention, and similarly to disarm if necessary to the last cannon and to the last machine gun.*

In particular, should France be ready to disarm according to a precise programme of disarmament, the German Government asks for a statement in figures of the measures of disarmament which France will undertake (personnel, material, period of execution, date of commencement and statistical control of its execution).

The German Government is unable to see how the adjustment of German armaments to the German requirements for security and the partial levelling up of her state of armaments to that of the neighbouring States should lead to a general increase in armaments and to the beginning of an armament race. The German proposals are concerned exclusively with defensive armaments. They are so moderate that the supremacy of French armaments will continue as before. Moreover, they exclude all possibility of an armament race for the reason that under them the highly armed States are to be bound not to increase their armaments.

The proposal of the German Government is as follows:—

- (1) *Germany receives complete equality of rights.*
- (2) *The highly armed States engage themselves mutually to engage in no further increase in their present armaments.*
- (3) *Germany becomes a party to this convention with the undertaking that she will, of her own free will, only make such moderate actual use of the equality of rights granted to her as could not be regarded as constituting any danger of aggression against any other European Power.*
- (4) *All States undertake certain obligations for the humane conduct of war or for the avoidance of the use of certain weapons of war against civilian populations.*
- (5) *All States accept an equal general control, which shall examine and guarantee the observance of these engagements.*
- (6) *The European nations guarantee each other the absolute maintenance of peace, by means of the conclusion of pacts of non-aggression, which after the lapse of ten years shall be renewed.*

<sup>1</sup> See Enclosure in No. 132, note 2.

## II

Having set forth in advance these basic observations, the German Government will make the following comments on the specific questions put by the French Ambassador:—

(1) The figure of 300,000 men corresponds to the military strength which Germany needs in view of the length of its land frontiers and in view of the military strength of its neighbours.

(2) The conversion of the Reichswehr into a short-service army of 300,000 men will naturally take several years. As regards the length of the period of conversion, the financial aspect is also of vital importance.

(3) The number of defensive weapons which Germany claims must correspond to the normal armament of a modern defensive army.

(4) The pace at which the armament should be carried out must be in step with the pace of the conversion of the Reichswehr referred to in section (2).

(5) The German Government is ready to agree to an international, periodical, automatically functioning, general and identical control.

(6) At what point this control is to be applied is a separate question, which can only be decided when an agreement has been reached over the fundamental questions.

(7) The nature and character of the S.A. and the S.S. will not be affected by the conversion of the Reichswehr into a short-service army of 300,000 men.

*The S.A. and S.S. are not military organisations, and, moreover, will not be so in future. They are an inseparable component part of the political system of the National Socialist revolution, and so of the National Socialist State. They include some 2½ million men, ranging from the eighteenth year to extreme age. Their only task is, by means of this organisation of the political masses of our people, to prevent for ever the return of the Communist peril. Whether this system can or will ever be abandoned depends upon whether this Bolshevistic-Communist peril remains or is removed. With military matters these National Socialist organisations, which stand in opposition to the former Marxist Reichsbanner and the Communistic Red-Front League, have absolutely no connexion whatever. The attempt to bring the S.A. and S.S. into military connexion with the Reichswehr, and to refer to them as military reserve formations, originates with those political circles which see in the removal of this protective organisation of the National Socialist State the possibility of a new disintegration of the German people and thus a new advance towards the Communistic goal.*

*In order to prove the character of the S.A. and S.S. to be that of political organisations for a general, spiritual and physical inoculation against the dangers of a Communistic upheaval, the German Government does not decline to provide proof, in the course of the control over the execution of the convention, that this definition is being accurately adhered to.*

(8) The German Government is ready to consider more closely the idea of the establishment of general regulations as to political associations and pre- or post-military organisations in the various States.

(9) The answer to the question of the control of these organisations in the

various States is to be found in the observations made at the end of paragraph (7) in regard to the S.A. and S.S.

(10) The non-aggression pacts, which Germany is ready to conclude with all limitrophe States, will conform in substance to post-war practice.

(11) Whether, and to what extent, as regards Franco-German relations, the Locarno Rhine Pact concluded in 1925 calls for special consideration, is a juridical and technical question, which can be left over until the later detailed discussion.

(12) The German Government is ready at any time to settle equitably, in the most suitable way, any differences between France and Germany which may arise.

### III

The idea of a return of the Saar territory without a plebiscite was only put forward for consideration in order, if possible, to avoid the inflammation of public opinion in Germany and France, which voting would involve, and to spare the population of the Saar territory the disturbance of an election, the result of which could not be in doubt. If the French Government takes the attitude that it cannot agree to a return of the Saar territory without a plebiscite, the German Government will in that case regard the question as settled.

### IV

Now that the German Government has once again openly stated its attitude on the settlement of the question of disarmament, it can only anticipate a successful continuation of the conversations if the other Governments now also unequivocally state their attitude in regard to the point of view of the German Government, and how they for their part think that the problem should be handled in its various concrete details.

### No. 144

*Record of a Conversation at the Quai d'Orsay at 11.30 [a.m.] on  
December 22, 1933<sup>1</sup>*

[W 14726/40/98]

Present:

Sir John Simon.  
Lord Tyrrell.  
Mr. Harvey.

M. Paul-Boncour.  
M. Chautemps (part of the time).  
M. Léger.  
M. Massigli.

The Secretary of State opened the proceedings by saying that there were three questions on which he wished to give the French Government the views

<sup>1</sup> This record was made by the British representatives for the use of His Majesty's Government, and was received in the Foreign Office on December 23 from H.M. Embassy in Paris.

of His Majesty's Government, namely, the French dossier on German rearmament, the instructions furnished to Sir Eric Phipps after his recent visit to London,<sup>2</sup> and the question of the League of Nations. Beginning with the question of the dossier, he said that in answer to the enquiries made by the French Government as to how far the information in the possession of His Majesty's Government tallied with that communicated in the French memorandum on German rearmament of last August, he proposed to give them a summary of the British views, and, if M. Paul-Boncour liked, the Embassy would repeat them afterwards at the Quai d'Orsay. The Secretary of State then proceeded to read over the oral statement agreed upon in London.<sup>3</sup>

M. Paul-Boncour enquired how Sir John Simon reconciled the statement that the information in possession of His Majesty's Government confirmed the majority of the points contained in the French memorandum, with the further statement that he did not consider it possible to substantiate the charges that breaches of the treaty had been committed. The French memorandum itself furnished the proofs of the contentions contained therein.

Sir John Simon said that his statement was that the information in His Majesty's Government's possession was not such as would, for the most part, substantiate definite charges—in other words, their indications were not of a sort which they would be willing to offer to prove.

M. Massigli interposed to say that the French memorandum only summarised the nature of the proofs which they offered to furnish in detail.

Sir John Simon repeated that, whilst we were glad to inform the French Government of the degree of our general confirmation of the contents of their memorandum, he thought it right to explain that the British information would not be such as to enable us to substantiate the charges.

M. Paul-Boncour said that one of his principal occupations had been to ascertain what points could be proved and what proofs could be produced. Among such documents it was necessary to distinguish those which could only be produced at the risk of compromising their sources. He thought he had now succeeded in distinguishing the points which were based on secret service sources and those on evidence which could be produced.

M. Massigli said that the documents referred to in the dossier were largely official documents, and on each point they believed they could now give a precise documentation, and they asked the British Government to examine their proofs.

Sir John Simon said that he regretted he was unable to deal further with the matter, as it was not in his own competence, but rather one for other departments of His Majesty's Government. He was only delivering the answer which they had prepared. Moreover, the question asked of His Majesty's Government, as to how far they confirmed with their own informa-

<sup>2</sup> See No. 140, note 2.

<sup>3</sup> Not printed. For the statement given to the French Ministry of Foreign Affairs see No. 145.

tion the information in the French dossier, was not the same question as to whether there could be a joint examination of French material to test its accuracy. Our answer had been given on the former question, and the Embassy would repeat it verbally to the Ministry for Foreign Affairs in a more precise form.

M. Paul-Boncour said that it was interesting to note that the British information largely confirmed the French, but that their proofs were not sufficient to substantiate it, whereas the French Government had proofs which could be produced when necessary. With regard to the statement that, so long as there were possibilities of agreement with Germany, it was undesirable to produce the dossier, the French Government must observe that they could not contemplate the possibility of agreement with Germany without taking account of the actual situation as disclosed in the dossier. For example, the S.A. organisations could not be ignored during the present negotiations in view of their essentially military character.

Sir John Simon thanked M. Paul-Boncour, and said that he understood the French position, and M. Paul-Boncour would himself understand that, in making the communication, he was speaking on behalf of other departments. He now wished to deal with the instructions to Sir E. Phipps and the question of the League of Nations, upon which he could speak more freely as they were within his competence.

#### *Instructions to Sir E. Phipps*

Sir John Simon said that His Majesty's Government had received from Sir E. Phipps a German document, dated the 11th December,<sup>4</sup> giving Herr Hitler's views on disarmament, whilst the French Government had received a similar document<sup>5</sup> (copy of which had been kindly furnished to us by the French) in almost identic terms. Sir Eric Phipps had been instructed to make observations and enquiries on the German document of the 11th December on the following lines. He was first of all to make it absolutely clear to the German Government that His Majesty's Government must not be understood to be expressing any approval or disapproval, and that they were only noting or asking for further definition. His Majesty's Government had thus protected themselves entirely against the possibility of misunderstanding as to their expressing approval. Subject to this governing consideration, Sir E. Phipps was to make a number of points. Firstly, he was to take note of the idea of non-aggression pacts, which the German Government were ready to make with *all* their neighbours, and to say that we presumed that the pacts would cover territorial as well as economic and political questions, that they would not be inconsistent with the Covenant, and that it was understood that Herr Hitler confirmed all the German obligations under the Locarno Treaties.

Secondly, in the German document there were three propositions, (a), (b) and (c)—(that Germany was the only Power that had disarmed, that the heavily-armed States had no intention of disarming, and that Germany was

<sup>4</sup> See Enclosure in No. 132.

<sup>5</sup> See Enclosure 2 in No. 143.

entitled to equality)—in regard to which Sir E. Phipps was instructed to say that His Majesty's Government could not accept the implications of (a) or (b). The Ambassador was to add that Germany must remember that all the countries represented in the Conference, except Germany, had indicated their readiness to return to their labours in January, and that, whatever variations had been suggested in the British Draft Convention, it had in fact been accepted as a basis by everybody. Sir E. Phipps was also instructed to take note of the German proposal of supervision, and that it was intended to be international, general, periodic, identical and automatic.

M. Massigli interposed to say that in the French version of the German document there was a statement to the effect that the question at what time supervision should begin was a particular point which could not be decided before an agreement had been reached on the essential questions.

Sir John Simon said that it was very important to pin Germany down to the principle of supervision. It was next proposed that Sir E. Phipps should take up the question of the 300,000 effectives, and should say that His Majesty's Government could not accept the German arguments in support of this. Apart from technical questions, such a figure would be universally regarded as too high. In the British draft plan it was proposed that parity should be established at a figure of 200,000 men between Germany and the metropolitan forces of France. Parity on this basis seemed to His Majesty's Government to be the proper comparison. According to the 'League of Nations Year Book', the French total forces in no way approached the numbers mentioned in the German memorandum.

Sir E. Phipps was also to comment on the German claim for armaments, taking note of the German renunciation of any offensive weapons and their desire to obtain 'normal armaments,' which apparently included 155-mm. guns. The Ambassador was to ask what exactly these normal armaments were; did they include tanks and aircraft, and, if so, how many and of what kind?

M. Paul-Boncour observed that in his first conversation with the French Ambassador in Berlin Herr Hitler had asked for light tanks; now he had adopted a more vague language, and asked for 'the normal armaments' for a division.

Sir John Simon said that Herr Hitler probably intended one day to publish his document and as it contained no reference to tanks, &c., it was very necessary to get these omissions cleared up. Similarly, Sir E. Phipps was to question him on the subject of the S.A. and S.S. troops. He was to take note of the statement that Germany was prepared to ensure by a system of supervision that these para-military bodies had no connexion with military forces, and he was to ask if the same assurance could also be applied to the Labour Corps.

This was the general nature of the instructions to the British Ambassador and His Majesty's Government much hoped that the French Government would feel that they had not in any way embarrassed them. They felt,



however, that it was necessary to keep communications with Herr Hitler moving, as they were anxious to avoid his proposals being published, at any rate until all the details had been elicited, since they were afraid they might otherwise create a false impression on world opinion. As soon as Sir E. Phipps's reply had been received, His Majesty's Government would inform the French Government.

M. Paul-Boncour said that these requests for definition were most useful. He enquired, however, what was in Sir John Simon's mind when he expressed the fear that, if the conversations were cut short, Herr Hitler might publish an incomplete document. Did he think that, in view of the great contrast between Germany's demands and the objectives of the Disarmament Conference, it was still possible to reach agreement? He was very grateful for Sir John Simon's insistence on the fact that the enquiries in Berlin implied no acceptance of Herr Hitler's terms. Would it not be preferable to go even further and to say that the present course was the contrary of what we all desired? The French Government favoured making a further reserve as to any idea of rearmament at all. Again, was there not a danger that in asking Germany whether she accepted supervision of para-military bodies, there was a risk of their appearing to accept Germany's ideas, since the very existence of these bodies was incompatible with any reduction in German rearmament? This was a vital point with M. Paul-Boncour. Germany came to the Conference from the legal point of view with the limitations imposed by the Versailles Treaty; those limitations were incompatible with the idea of a parallel army. When Germany raised the question of equality of rights, which the Powers accepted provided it was accorded in conditions of security, the latter proceeded to work on the lines of allowing Germany an army like other continental armies, with equal effectives, culminating in the offer that the Reichswehr should be converted into a short-term army of 200,000 men. The supposition was that Germany should only have that army. Germany now not only adopted the proposal for this army of 200,000 men, but added that for political reasons she could not abolish the S.A. and the S.S. troops. This was, in fact, a complete reversal of both the British and French plans, which were based on similarity of armies.

He went on to say that, whatever number of troops was accorded to Germany, e.g., 200,000 men as by the British plan, she was proposing to keep at the same time some million men in the S.A. organisations, even though they were only semi-soldiers. In France and other countries with conscription, a man, after having done his military service, returned to private life except for a week or two each year. Germany, on the other hand, could collect all those who had passed through the conscript army and put them into the S.A. and S.S. bodies, and thus they would remain troops perpetually trained, thereby constituting a formidable increase of the German army.

Sir John Simon said there was yet another aspect, namely, the question of period of service, under discussion. If it was decided to reduce the period of service from twelve to eight months, Germany would have a great advantage,

because the young people would already have had a preliminary training in the para-military bodies, and the German army would thus have a great advantage over those of other countries.

At this point M. Chautemps arrived from the Chamber to take part in the conversations. M. Paul-Boncour briefly summarised the position for him.

Sir John Simon said that as soon as Sir Eric Phipps's reply was received, His Majesty's Government would communicate with the French Government. He did not believe that French policy had in any way been embarrassed by the instructions to Sir Eric Phipps, and he hoped that by arriving at more precise information, His Majesty's Government would be able to make it easier for the French Government. The object had been to force the German Government to expose their hand. When the German document had been read in the Cabinet there had been a strong impression that it had been drafted with a view to ultimate publication, and the fear was expressed that it would create a not unfavourable impression to [*sic* ? on] world opinion, with dangerous results.

M. Paul-Boncour said that he understood that the intention was to obtain definitions in order to diminish its propaganda value.

M. Chautemps and M. Paul-Boncour enquired whether Sir John Simon wished the French Government to abstain from conversations in the meanwhile.

Sir John Simon said that this was a matter evidently for their own decision. His Majesty's Government did not wish to press them. We were awaiting Herr Hitler's reply, and would then communicate it to them. Perhaps it would then be easier for the French Government then [*sic*] to decide on their course.

At this point the conversation was interrupted for lunch.

### *League of Nations*

On resumption after lunch it was decided to take the third question—that of the League of Nations.

Sir John Simon said that His Majesty's Government had not received any communication from anyone as to the nature of any suggested reforms. They had the feeling that the Italian Government had not formulated its ideas. Although going to Italy, he was not the bearer of any communication on the subject. The statement in 'The Times' that His Majesty's Government had drafted a *questionnaire* for the Italian Government was quite untrue. M. Chautemps would have noted from Sir John Simon's recent speeches that the central point of British policy was support of the League of Nations. In the House of Commons yesterday<sup>6</sup> he had said (1) that it was necessary to recall that the structure of the League was the result of long negotiations; it was only established after great difficulty; it would therefore be unwise to

<sup>6</sup> See Parl. Deb., 5th ser., H. of C., vol. 284, cols. 1519-28.

suppose that a change would be safe without very careful consideration; and (2) that the Covenant itself contained provisions for amendments. Therefore, any modification should be undertaken within the framework of the League itself.

Both M. Paul-Boncour and M. Chautemps fully agreed.

Sir John Simon said that obviously, if, of six or seven great nations, five were either non-members or had given notice of leaving, the situation would be difficult. Nevertheless, there was no reason to take a desperate view.

M. Paul-Boncour said that the French Government had similarly marked their attitude in a recent public statement to the press in connexion with M. Benes's visit.<sup>7</sup>

Sir John Simon said that if a member of the League had ideas of reform they must be formulated for consideration. He quoted a suggestion made by M. Avenol in a recent speech in England that the rule of unanimity was necessary as a protection of the sovereignty of individual States, in fact, a right of veto of States directly interested.

M. Chautemps said that discussion of the League of Nations brought them back to the disarmament question. The present discussion with Herr Hitler had started from Geneva and it was necessary to bring it back there. A polemic had been started by German propaganda, which was ravaging France, on the following lines: up to now people had met at Geneva in order to draw up a disarmament convention; experience had shown that this was hopeless and, therefore, it was necessary to turn to direct negotiation with Germany outside Geneva and to consider German rearmament. The essential point was that the great nations hitherto at Geneva should make it clear that the present conversations were only undertaken with a view to an eventual return to Geneva.

Sir John Simon said this was the sense of the declaration made at Geneva in favour of these 'parallel and supplementary efforts'. Geneva had only been adjourned to allow of the conversations. He had recently spoken to Mr. Henderson, who said he intended to go to Geneva at the beginning of January, but would await the result of the consultations. Mr. Henderson had every intention of carrying on at Geneva, and Sir John Simon had promised to go there for the Council<sup>8</sup> personally. Did M. Paul-Boncour think of going there himself?

M. Paul-Boncour: 'Yes, certainly.'

Sir John Simon said M. Avenol had just informed him that one question would be the constitution of a small committee to study the Saar plebiscite. The question of policing the area during the plebiscite was a very difficult one, because obviously the local police were inadequate. Who would provide the necessary police? Obviously this could not come from either France or Germany.

<sup>7</sup> See No. 138, note 1.

<sup>8</sup> The League of Nations Council was due to meet on January 15, 1934.

M. Paul-Boncour said he had thought of this, but did not see a solution.

M. Chautemps referred to the large number of out-voters who would come into the area, and M. Massigli suggested that it would not be too difficult, as lists of the inhabitants must be available.

M. Paul-Boncour said there were two different points, namely, who would direct the plebiscite and who would ensure order.

### *Disarmament*

M. Paul-Boncour, again turning to the disarmament question, enquired how Sir John Simon supposed the conversations with Germany would develop.

Sir John Simon said that this was very difficult to say, but he thought they might develop quickly, and loss of time was not necessarily favourable to reconciliation and peace. His Majesty's Government had not yet fully considered the matter, but it was evident that there were two main considerations: (1) the possibility of an international agreement as contrasted with no agreement at all. If it was impossible to reach agreement, the future would be dark indeed, and therefore it was necessary to do all to reach agreement; (2) the fact that it was not possible to contemplate agreement under insupportable conditions. Thus the Disarmament Conference was designed to reach disarmament, and it would be preposterous if it led to no disarmament. It was necessary to place these two conceptions in opposition one to another and to consider at what point they should draw the line between the possible and the impossible. This was very difficult to decide at present. The British plan itself contemplated a certain measure of rearmament, i.e., if the figure of the German army was raised, it required a larger number of rifles than it did before. But that was quite different from a convention which provided for no disarmament at all.

M. Paul-Boncour said that a certain qualitative rearmament had been proposed in September, but that, as also in the British plan, was only contemplated after supervision and after conversion of the German army to similarity with other armies. Now Germany demanded immediate rearmament without conditions. The whole question was what rearmament and at what date. He enquired whether Sir John Simon intended now to make further proposals as had been stated in the press.

Sir John Simon said that there was no authority for such statements. The Cabinet had not decided the question yet, but in Sir John Simon's opinion it would be necessary to consider as the situation developed what position they would adopt.

M. Paul-Boncour observed that France had not put forward her latest proposal with a view to bargaining, but had gone as far as she could in October.

M. Chautemps agreed, and said that he might be required to make a statement tomorrow before the Chamber adjourned for Christmas. He

would refuse, but if the September proposals were now to be published it would appear to the public to be the absolute limit of concession.

Sir John Simon said that he was sure that if an opportunity were afforded of reaching an agreement, the French Government would be ready without modifying essential views to express them in a different form. His Majesty's Government, for their part, were very anxious to find means of concluding an international agreement, as they were much struck by the lamentable effects which failure would have on world opinion, and the encouragement which it would afford to Germany. Therefore, they were very anxious to secure an agreement, though it was quite clear that certain propositions were not acceptable. He trusted that it might be possible for the French Government to avoid a definite declaration tomorrow.

M. Chautemps said that the great question now was that there must be an agreement for disarmament, not an agreement for the rearmament of Germany coupled with the maintenance of armaments by others.

M. Paul-Boncour enquired what it was thought that the non-aggression pact suggested by Herr Hitler would add to France and Belgium over and above what was afforded by the Locarno Treaties. What, moreover, would they add to the Briand-Kellogg Pact as regards the other Powers?

Sir John Simon enquired whether M. Paul-Boncour did not think that Herr Hitler's signature had a special value. The past in Germany had now been washed out and Hitler represented the new spirit.

M. Chautemps said that they had already been told this when the Locarno Treaty itself was signed. It was represented as an agreement voluntarily entered into which would be accepted by Germany in quite a different spirit from any previous agreement.

M. Paul-Boncour observed that Hitler hoped to obtain less precise terms under the pacts than those by which he was bound under Locarno. As regards Austria, moreover, a pact of non-aggression was no solution to the question, as what was to be feared was action *inside* Austria, not an invasion of Austria.

In conclusion, M. Chautemps observed that the pacts should not be bilateral, but collective.

Sir John Simon thanked the two Ministers warmly for the full and friendly explanations which they had given. Though he was on holiday, he fully appreciated this further opportunity of preserving contact between the two Governments.

A communiqué was agreed upon and is annexed.

#### *Communiqué*

Sir John Simon, on his way through Paris to Capri for the Christmas holidays, took the opportunity of visiting M. Chautemps and M. Paul-Boncour with whom he lunched today in company with several members of the French Government.

The French and British Ministers had a full and friendly exchange of views on international questions. In particular they discussed together the prospects of agreement in view of the resumption of the Disarmament Conference, and recognised the importance of maintaining the authority of the League of Nations.

No. 145

*Lord Tyrrell (Paris) to Sir R. Vansittart (Received December 28)*

*No. 1765 [C 11303/245/18]*

PARIS, December 27, 1933

Sir,

When communicating to M. Paul-Boncour, during the conversation which you<sup>1</sup> had with him in Paris on Friday last,<sup>2</sup> the substance of the decision in regard to the so-called French dossier on German rearmament, you informed him that it would be repeated to some official at the Quai d'Orsay so that its exact purport might be noted.

2. I have the honour to report that a member of my staff on the following day read through to M. Massigli the memorandum of which a copy is enclosed, and allowed him to take such notes as he wished. Having done this, M. Massigli confined himself by way of observation to remarking that both what you had said the previous day and the memorandum which had just been read to him appeared to proceed from the assumption that what the French Government had wished was to establish some common document as the result of comparing the information contained in the dossier with that in the possession of the British War Office. Such was not, in fact, the case; the French Government had merely had the following double object in view: they wished, first, to give His Majesty's Government the benefit of their own information, which they believed to be the more complete, and, secondly, they wished themselves to have an independent check on their own information. For this purpose they had been, and still were, ready to divulge to anyone appointed for the purpose the source of their information. These, in many instances, were public documents; in others, the reports of secret agents, many of whom had been compromised and were no longer employed.

3. The French Government are clearly disappointed with the decision in this affair, but whether they will let the matter drop or address to us some further communication I cannot say.

I have, &c.,  
TYRRELL

<sup>1</sup> i.e. Sir J. Simon.

<sup>2</sup> December 22. See No. 144.

ENCLOSURE IN NO. 145

*Aide-mémoire*

*December 23, 1933*

His Majesty's Government make all reserves as regards the observations in the covering note on the rearmament of Germany, dated the 26th July, which

was communicated by the French Ambassador with the so-called dossier, which, in its final form, bears the date of the 4th August.

The comments which follow concern only the various points dealt with in the dossier and not the observations in the covering note.

The majority of the points dealt with in the dossier contain information in many ways similar to our own.

On some seven points only we have no information at all, viz.:—

- I (a) 4 and 7;<sup>1</sup>
- II (a) (appointment of State commandants of police);
- III (a) (permanent location of Nazi forces in barracks);
- VI (b) (State Police School for Aerial Instruction);
- VI (c) (importation of military aeroplanes);
- VI (d) (reconstruction of flying grounds, &c., in demilitarised zone).

On the other points our information is generally similar to that contained in the French dossier; but with very few exceptions—notably, most of the information dealing with the associations—His Majesty's Government do not consider that it would be possible, so far as their information goes, to substantiate charges that breaches of the treaty had been committed. It should be noted further that on a number of points, even were the information substantiated, the treaty breaches involved would be of little material importance.

It is emphasised that this communication is made in a friendly and informal manner, and solely in order to respond to the desire of the French Government to know how far our information agrees with their own. It is clear that very little of it would be of value for public use at Geneva or elsewhere; and this communication must not be regarded as a first step towards a demand for an enquiry under Article 213 or any other article of the Treaty of Versailles or the Treaty of Locarno. His Majesty's Government could not agree to discuss such issues so long as any hope remained of the conclusion of a Disarmament Convention.

<sup>1</sup> These points were respectively the creation of mortar sections in the cavalry and of four artillery spotting groups.

#### No. 146

*Sir E. Phipps (Berlin) to Sir R. Vansittart (Received December 29)*

*No. 119 Saving: Telegraphic [W 14822/40/98]*

BERLIN, December 28, 1933

French Ambassador hears that Germans are getting annoyed at questions put to them by French and by us. They show their impatience moreover in last paragraph (IV) of their reply to French *aide-mémoire* copies of which were transmitted to you in my despatch No. 1284<sup>1</sup> of December 21.

Repeated to Paris and Rome.

<sup>1</sup> No. 143.

No. 147

*Lord Tyrrell (Paris) to Sir R. Vansittart (Received December 29)*

*No. 325 Saving: Telegraphic [W 14769/40/98]*

PARIS, December 28, 1933

My despatch No. 1779.<sup>1</sup>

I learn that at Council of Ministers yesterday agreement was reached on general lines of the reply to Herr Hitler's memorandum which it is proposed French Ambassador should take back with him to Berlin. Reply is to the effect that France cannot agree either to figure of 300,000 men for German conscript army or to continued existence of para-military bodies, and that she can in fact only contemplate a convention involving real disarmament which must be concluded at Geneva. Council of Ministers also agreed that France should follow this up by reproducing at Geneva next month the October proposals as a final offer to Germany and that if this was refused then she would raise the question of German rearmament under Article 213 of the Treaty of Versailles.

2. Above having been agreed to, the equanimity of the French Government was then upset by the vigorous line adopted by M. Hymans<sup>2</sup> who said that his Government were opposed to such a policy which could only lead to the isolation of France. He insisted that there must be preliminary agreement between the Powers before action was resumed at Geneva.

3. I have asked to see M. Paul-Boncour with a view to ascertain[ing] the accuracy of the above information and propose to urge that he should hold his hand for the present. My information is that the reply is drafted but no date fixed for its delivery.<sup>3</sup>

<sup>1</sup> Not printed.

<sup>2</sup> M. Hymans visited Paris on December 27.

<sup>3</sup> Copies of this telegram and of the telegram printed below as No. 148 were taken by Mr. Seymour to Rome for Sir J. Simon's information.

No. 148

*Sir R. Vansittart to Lord Tyrrell (Paris)*

*No. 249 Telegraphic: by telephone [W 2/1/98]*

FOREIGN OFFICE, December 30, 1933, 4.0 p.m.

Following from Sir R. Vansittart.

I understand that the impending French reply to Germany will contain a statement that French policy is to adhere to the October proposals. If so, it would seem to be in my opinion unwise indeed for the French at this stage to say 'the October proposals *et praeterea nihil*'. This will surely slam the door on all discussion with Germany. This would be particularly unfortunate during the absence of the Secretary of State, and before he has had any conversations in Italy. The German Chargé d'Affaires here has already hinted plainly that we may not get any reply to our enquiries, if the French reply to



Germany is as uncompromising and inelastic as foreshadowed in the press. M. Paul-Boncour will remember that at his recent meeting with the Secretary of State<sup>1</sup> he said that 'he understood the intention of our enquiries was to diminish the propaganda value of the last German note to us'. It is true that His Majesty's Government attach—and very rightly, as the French Government recognise—importance to attaining at least this result, if our enquiries do not point to the better hope of agreement. The French communication now about to be delivered unless very carefully worded will have the effect, in my judgment, of making it easy for the Germans to say (as foreshadowed) that they have already refused the October proposals, that the French say they will consider nothing else, and that it is therefore useless to continue talking. The Germans will therefore *not* be brought into the open, but will cover themselves behind the French response, and 'the propaganda value of the last German note to us will *not* be diminished'. These seem to me unskilful tactics, and I think you should point out these probable consequences to the French Government. There also seems to me personally risk of any complete rigidity producing some open divergence between the positions of France and this country. Apart from any question as between our Governments, I fear that this divergence will be immediately manifest in the press.

I am therefore really apprehensive lest French tactics should play into the German hands so far as a considerable part of public opinion here is concerned. These are my personal views, but I believe you will share them.

Repeated to Brussels, Berlin and Rome.

<sup>1</sup> On December 22. See No. 144.

## No. 149

*Lord Tyrrell (Paris) to Sir R. Vansittart (Received December 31, 10.0 a.m.)*  
*No. 122 Telegraphic [W 3/1/98]*

PARIS, December 31, 1933, 1.0 a.m.

Handed to Mr. Seymour for Secretary of State at Rome.

My telegram No. 325 Saving.<sup>1</sup>

I saw Minister for Foreign Affairs yesterday evening<sup>2</sup> and asked him to acquaint me with exact form of decision reached by Council of Ministers as to which there were many conflicting accounts.

2. M. Boncour replied that it had been decided that French Government could no longer leave unanswered German memorandum which had now been in their hands for some considerable time. French public opinion was becoming impatient and was calling on the Government to pronounce itself: it was also desirable that the German Chancellor should be under no misapprehension regarding French attitude which had been decided some time ago and was in its broad outlines quite immutable. French Ambassador in

<sup>1</sup> No. 147.

<sup>2</sup> December 29. This telegram was drafted on December 30.

Berlin would therefore take back with him a memorandum which he would hand to Hitler setting out clearly French position.

3. The memorandum, drafting of which was still not complete, would take note of Germany's offer to conclude pacts with her neighbours, and would express satisfaction at this suggestion provided proposed pacts added to and did not detract from Germany's obligations under Covenant, Locarno, Pact of Paris, etc. It would note with satisfaction Germany's acceptance of control and would enquire whether she was ready to adopt definition worked out by Conference Committee. As regards armaments it would point out that whereas there had been agreement to allow German army, when transformed, requisite defensive arms, what Germany was now demanding was immediate substantial rearmament. French Government could not agree to this. Nor could they agree to maintenance in their present form of parallel military associations which would constitute a vast reservoir of highly trained reserves.

4. Memorandum would contain a full exposition of French policy explaining how it aimed at Germany obtaining full equality by means of gradual disarmament of highly armed Powers. It would then describe what French [Government] as a result of September conversations had been prepared and remained prepared to do by way of carrying out this policy. To question which I interjected here M. Boncour replied that the measures which French Government offered were in substance those agreed upon in September and he admitted that although there was no longer any mention of a trial period the proposals remained in effect based on two periods, the behaviour of Germany during the first of which would determine whether France could proceed with reductions contemplated in the second.

5. He assured me repeatedly that memorandum would be couched in most conciliatory terms, that it would not close the door but would enable Germany to continue the conversations if she had any good faith. When I asked whether he did not think it futile to repeat the October 14 offer which had caused Germany to leave the Conference he replied that she had left before she was really aware of the proposals which had never properly been made known to her: it was necessary that not only world but Germany should be left in no doubt as to how far France had been and remained prepared to go. I said however that might be, it seemed to me to offer Germany the best excuse for not returning to the Conference. He replied that nothing but another success such as Hitler had had when he left the Conference would tempt him to return; and that for her part France was not prepared to afford it to him.

6. I told M. Boncour that decision of French Government amounted to their making a move ahead of His Majesty's Government with whom they had hitherto remained in step; and I reminded him when in your recent conversation here<sup>3</sup> he and M. Chautemps had asked you whether you wished the French Government to abstain for time being from further conversations you then replied that it was a matter for French Government's own decision but

<sup>3</sup> i.e. Sir J. Simon's conversation with French Ministers on December 22. See No. 144.

that it would doubtless be easier for them to settle their course after they had seen Herr Hitler's reply to our latest communication. It was awkward that they had taken this present step at a moment when it was impossible to communicate with you. M. Boncour replied that Council of Ministers had decided that it was quite impossible for them to delay any longer making their position absolutely clear *vis-à-vis* both Germany and French public opinion.

7. The decision to take this action at present stage is probably the result in some measure of the pressure exerted by Dr. Benes but is mainly I think due to internal politics. It is the price which M. Chautemps has had to pay to M. Blum for latter's continued support of his Ministry.

8. The memorandum will be taken back to Berlin by M. Poncet tonight and will probably be handed over to Hitler on New Year's day. A copy will be communicated to us as soon as it has been delivered.

Repeated to Berlin.

#### No. 150

*Lord Tyrrell (Paris) to Sir R. Vansittart (Received January 1, 1934, 9.30 a.m.)*

*No. 123 Telegraphic [W 8/1/98]*

PARIS, December 31, 1933, 10.15 p.m.

Your telegram No. 249.<sup>1</sup>

On receipt of your telegram I addressed an urgent letter to M. Léger (M. Boncour and M. Chautemps having left for the country) in which I reproduced your reasons against the line of action which, as confirmed in my telegram No. 122,<sup>2</sup> French Government have now decided on. I strongly urged wisdom of any such action being deferred at least until Herr Hitler's reply to our communication is received.

M. Léger has repeated to me somewhat lamely M. Boncour's assurance that French Government have no wish to torpedo the conversations and that their communication is couched in conciliatory language whilst French disarmament proposals constitute a comprehensive scheme based on disarmament from above rather than disarmament<sup>3</sup> from below.

We have been promised a detailed account of French reply tomorrow which I hope to let you have by Tuesday.<sup>4</sup>

Repeated to Berlin and Rome.

<sup>1</sup> No. 148.

<sup>2</sup> No. 149.

<sup>3</sup> In the confirmatory copy of the telegram received later by bag this word read: 're-armament'.

<sup>4</sup> January 2, 1934.

**No. 151**

*Sir R. Vansittart to Sir E. Drummond (Rome,  
No. 1 Telegraphic [C 20/20/18]*

FOREIGN OFFICE, *January 1, 1934, 6.20 p.m.*

Following from Sir R. Vansittart for Secretary of State:—

Paris telegram No. 325 Saving.<sup>1</sup>

Raising at Geneva of the question of German rearmament under Article 213 of the Treaty of Versailles, which is therein referred to, would be fraught with obvious dangers, particularly now, and particularly to Geneva. Would it not be well to intimate in advance to French Government, preferably on your way back, that this is our view, and that in order to obviate any lack of complete understanding and co-operation we must reserve our liberty of judgment in this matter?<sup>2</sup>

<sup>1</sup> No. 147.

<sup>2</sup> Sir J. Simon did not visit Paris on his return to London.

**No. 152**

*Lord Tyrrell (Paris) to Sir R. Vansittart (Received January 1, 9.30 p.m.)  
No. 1 Telegraphic [W 51/1/98]*

PARIS, *January 1, 1934, 7.0 p.m.*

My telegram No. 123.<sup>1</sup>

Ministry of Foreign Affairs were unable to communicate to me today the text of the French communication as it had not yet been presented, but a summary was given this morning to a member of my staff. Though more complete, it adds nothing very material to the account given in my telegram No. 122<sup>2</sup> except on one point, namely that in order to make a gesture French Government declare their readiness to reduce French air force by 50 per cent. immediately after entry into force of the convention.

2. I am not reporting more fully as I understand that French Ambassador in London has been instructed to furnish you today with a full summary of the French memorandum.<sup>3</sup>

Repeated to Berlin and Rome.

<sup>1</sup> No. 150.

<sup>2</sup> No. 149.

<sup>3</sup> See No. 153.

**No. 153**

*Minute by Sir R. Vansittart  
[W 80/1/98]*

FOREIGN OFFICE, *January 1, 1934*

The French Ambassador called on me this afternoon, on the instructions of his Government, and read me a résumé of the French reply to Germany.

The résumé itself was so lengthy that I begged him to let me have a copy of it, as otherwise I should be almost certain to overlook some point in recording it for the information of His Majesty's Government. He promised to let me have the résumé immediately. I have not yet received it, but set down here the chief substance of our conversation.

I told the Ambassador at once of the apprehensions that I had had on Saturday<sup>1</sup> when I had understood that the French Government might be about to send to Herr Hitler a reply declining to go beyond the October proposals. I had been afraid that, if the reply was of such a curt nature, all possibility of further conversations would be stopped and there would be no possibility either of an agreement or of getting Herr Hitler into the open. I told the Ambassador of the telegram that I had therefore sent to Lord Tyrrell (see my telegram No. 249<sup>2</sup> of the 30th December). I was bound to say, however, that, having listened to the summary, my apprehensions were somewhat relieved. If the actual wording of the communication itself was as conciliatory as the tone of the résumé which I had just heard, I hoped that there might be a chance of the communication passing off without too ill a tactical effect.

As to the detail of the summary, I had one or two observations to offer. The French Government had stated the condition that any new pacts to be contemplated should not weaken or invalidate the existing ones, such as Locarno. I reminded the Ambassador that Herr Hitler had already stated that he considered himself to be bound by Locarno. M. Corbin replied that he thought Herr Hitler had weakened in this respect lately. I said that I thought the question of fresh pacts was the easiest part of the matter. If an agreement could be reached as regards disarmament, I thought there would be no real difficulty in getting the necessary assurances from Germany without damage to existing obligations. Indeed, I thought that additional guarantees provided by Herr Hitler himself would considerably strengthen the guarantees given by his predecessors. The Ambassador seemed a little inclined to dispute this view, but he did not attempt to do so in detail.

I said that I also noticed that Austria had been brought into the projected scope of these new pacts, since, according to the résumé, Germany was required to give assurances against interference in the affairs of her neighbours. I said that we were all as much as ever interested in the independence of Austria and in sympathy with the efforts of Dr. Dollfuss to maintain it. As a pure matter of tactics, however, I personally doubted whether the French had chosen the most propitious moment for endeavouring to slip in this additional obligation upon Germany. The best time for such an attempt would, in my judgment, have been the moment when, if ever, negotiations were going on well both as regards disarmament and pacts. In any given moment of expansive warmth there might have been a chance that Herr Hitler would give way upon what was with him the obsession of a renegade. As it was, he could quite well reply that pacts of non-aggression had nothing to do with Austria, and I should be agreeably surprised if the obvious intro-

<sup>1</sup> December 30.

<sup>2</sup> No. 148.

duction of Austria at the very beginning did not have upon Herr Hitler the effect of an irritant. The Ambassador suggested that the German Chancellor might possibly not detect the implication of this *desideratum*, and I replied that I was sure that Herr Hitler was not so obtuse as that.

Thirdly, I noted that the French, as a proof of good faith, were making the offer of an immediate 50 per cent. cut all round in the air. I fully sympathised with the idea that France should make gestures to prove her good faith in the matter of disarmament, and I understood that, as the Ambassador had informed me at the outset of our conversation, it was because the Germans had impugned this good faith that the French Government had felt, after mature consideration, compelled to send the reply without further delay, although they had not led the Secretary of State to infer from his last conversation in Paris<sup>3</sup> that any such step was being decided upon. What, however, did somewhat surprise me in regard to this proposal for a 50 per cent. cut all round in the air was that our position on this specific point had been made perfectly clear to the French Government in our conversations on the 18th September and the 22nd September.<sup>4</sup> It had then been explained to the French Government why this proposal was not suitable or acceptable to us. M. Daladier and M. Paul-Boncour, I said, speaking from memory, had quite recognised the justice of our case, and M. Daladier had suggested that some other solution might be found or that the cut should be based on some year when our establishment was more nearly equal to that of the other principal air Powers than was at present the case. The Ambassador appeared to be somewhat embarrassed by this, but he appeared to me also to know very little of the detail of the September conversations.

While the tone of the French communication did, indeed, seem to be as conciliatory as its substance permitted (and that, of course, is a considerable restriction), and while the Ambassador emphasised again that, so far from closing the door on conversations, the French intended their communication to keep the door wide open, the Ambassador himself did not appear to me to be in a hopeful mood. He said that, to his mind, the matter of the huge reservoir of trained men constituted by the S.A. and S.S. detachments was the chief obstacle to agreement and the chief menace to the future. In this I said I was inclined to agree with him. It was of no use, however, for either the French or ourselves to expect Herr Hitler to dissolve them. That would be equivalent to asking him to sign the death warrant of his own régime. All that could be expected was a strict supervision of these forces with a view to preventing them from acquiring too marked a military character. It might be also that these forces could somehow be eventually absorbed into the Reichswehr. I understood that the German Chancellor was ready to accept some such form of supervision and control, and that all would depend on the extent and rigidity of that control. I believed that experts considered that such supervision could be effectively established and carried out, though, as a layman, I must confess that I thought, whatever its form, it would be exceedingly difficult to exercise over the whole extent of the country.

<sup>3</sup> See No. 144.

<sup>4</sup> See Volume V of this Series, Nos. 399 and 407.

I told the Ambassador again that I would report to my Government that he had written [*sic*] me this résumé and that I had commented on it in these terms, and I begged him again to let me have at least a full summary in writing as soon as possible.<sup>5</sup>

R. V.

<sup>5</sup> Sir R. Vansittart sent a summary of this Minute to Rome for the Secretary of State in telegram No. 3 of January 2. He suggested that Sir J. Simon might consider pointing out to Signor Mussolini how exceedingly conciliatory the French reply was and urging Signor Mussolini to use his influence with Herr Hitler to treat the French reply likewise. The French Ambassador communicated a copy of the résumé (not printed) on January 3 and the gist of the document was telephoned to Rome for the Secretary of State on the same day in telegram No. 8 to Rome.

### No. 154

*Sir E. Phipps (Berlin) to Sir R. Vansittart (Received January 2, 3.15 p.m.)  
No. 1 Telegraphic [W 81/1/98]*

BERLIN, January 2, 1934, 2.47 p.m.

French Ambassador tells me that he handed memorandum to the Chancellor yesterday in the presence of Baron von Neurath. The Chancellor asked that it should not be communicated to other Powers until time had been given for it to be translated and considered by German Government.

From French Ambassador's account memorandum seems to have followed lines indicated in Paris telegram No. 122.<sup>1</sup> Great stress was however laid on S.A. and S.S., awkward questions being asked and facts adduced regarding their undoubted military character. It seems that Hitler indulged in his usual vague generalities regarding his desire to bring the two nations together.

Neither French Ambassador nor I expect replies to our last communications for at least ten days as both the Chancellor and Baron von Neurath have returned to South Germany for about a week more.

M. Poncet only returned from Paris on December 31. He found opinion there very set against any agreement based on German rearmament. Socialists, Jews, Freemasons and the Right were all agreed on this. M. Tardieu is convinced that Hitler like Bismarck before him will only talk peace so long as Germany is weak but will raise his tone and demands directly she becomes stronger. M. Herriot is still appalled by revelations of Dr. Stresemann's diary<sup>2</sup> and opposes further conversations with Germany. Prospect of any agreement seems therefore to grow smaller.

Repeated to Rome for Secretary of State and to Paris.

<sup>1</sup> No. 149.

<sup>2</sup> The last volume of Dr. Stresemann's papers was published in 1933.

No. 155

*Sir E. Drummond (Rome) to Sir R. Vansittart (Received January 2, 3.20 p.m.)*  
*No. 3 Telegraphic [C 58/20/18]*

ROME, January 2, 1934, 3.10 p.m.

In a conversation which I had yesterday with Baron Aloisi I mentioned possibility of French Government having recourse to Article 213 of Treaty of Versailles since references to such course had been made publicly in France.

Baron Aloisi, who spoke without I presume any previous consultation with Signor Mussolini, observed that Italy would oppose any such proposal. He was extremely categorical on the subject which is a rare attitude with him.

Repeated to Paris.

No. 156

*Lord Tyrrell (Paris) to Sir R. Vansittart (Received January 2, 9.50 p.m.)*  
*No. 2 Telegraphic [W 93/1/98]*

PARIS, January 2, 1934, 8.0 p.m.

Action of French Government in replying as it is believed so firmly to Herr Hitler's memorandum of December 18 has full approval of the press. Socialists applaud decision because it represents their own policy of no rearmament and no bargaining with Nazi Germany. The Right welcome it as a step towards their goal of an investigation into German rearmament under Article 213 of the Treaty of Versailles. There is a tendency to criticise attempts which are believed to have been made by Belgian and British Governments to secure a modification of terms of reply. There is undoubtedly a popular conviction that firm and prompt language is what Germany understands and just as the last French reply decided Germany to drop the Saar question the present reply should make her see she has nothing to hope for on the basis of rearmament.

2. I doubt however whether this conviction is really held by the Government themselves. Their action as indicated in paragraph 7 of my telegram No. 122<sup>1</sup> is due rather less [*sic* ? more] to the fact that they are a weak Government which cannot afford to antagonise the Socialists by discussing a convention which involves rearmament or to frighten the country by consenting to substantial immediate disarmament. By refusing to accept either rearmament for Germany or immediate disarmament for themselves, they are safe from attack in Parliament.

3. In private conversation thoughtful people are inclined to deplore Government's action as liable to lead to a further *impasse*. On the other hand,

<sup>1</sup> No. 149.



unanimity of the press in approving their action is remarkable since only a fortnight ago influential Radical and Centre papers were urging that the present opportunity for a final settlement should not be lost. I can only account for this change of mind on the supposition that Government have succeeded in persuading these sections of opinion, as M. Boncour endeavoured to persuade me, that Hitler having stated his proposals it was necessary for French Government to define their position and that French reply as drafted being very conciliatory in tone should not close the door to further discussions.

Repeated to Berlin and Rome.

**No. 157**

*Sir R. Vansittart to Sir E. Drummond (Rome)*

*No. 4 Telegraphic [W 80/1/98]*

FOREIGN OFFICE, *January 2, 1934, 10.0 p.m.*

Personal from Sir R. Vansittart to Secretary of State.

As you know, we in the Foreign Office have long felt that only concrete proposals in the form of adjustments to our Draft Convention made by His Majesty's Government can offer any proper basis for a settlement or for establishing the responsibility for a refusal to disarm on the proper shoulders, those of Germany. I am personally very sorry that we have not managed to produce our proposals before the French note was put in. The presentation of the French note may make the situation more difficult. Even so I am convinced that the bold proposal of the proper adjustments by His Majesty's Government is still the only solution and I will do what I can before your return to promote the matter departmentally so that such spade work as others are willing to help me with will have been done before your return.

**No. 158**

*Sir R. Vansittart to Sir E. Drummond (Rome)*

*No. 9 Telegraphic [W 155/1/98]*

FOREIGN OFFICE, *January 3, 1934, 2.15 p.m.*

Following from Sir R. Vansittart for the Secretary of State.

If Rome telegram No. 2<sup>1</sup> means that Mussolini intends to present you with a sudden and cut-and-dried scheme on disarmament in much the same way as he presented you last year with the text of the Four-Power Pact, I venture to suggest that you should receive his proposal with considerable caution,

<sup>1</sup> Not printed. This telegram of January 2 reported Sir E. Drummond's belief that the Italian Government had prepared memoranda on the questions of disarmament and League reform for communication to Sir J. Simon.

lest we should be in any way saddled with an Italian scheme just at the moment when the Foreign Office have prepared a scheme of their own which is now under consideration by Chiefs of Staff and which may, we hope, then be considered by the Cabinet. Moreover I can hardly think public opinion in this country would welcome the idea of our sponsoring an Italian plan instead of keeping the lead in our own hands. Lastly, anything which had the appearance of a joint Anglo-Italian proposal would, I should say, be more suspect and unpalatable to the French Government than a purely British proposal if one can eventuate—and I hope we shall give ourselves every chance of such an eventuality.

As to any definite Italian plan for the reform of the League, it is of course only reasonable that Mussolini should take the initiative in putting forward proposals, but I presume he will hardly yet have anything very definite to propose, and that, if he has, it will require much cautious consideration.

### No. 159

*Sir E. Phipps (Berlin) to Sir R. Vansittart (Received January 4)*

*No. 1 Saving: Telegraphic [W 164/1/98]*

BERLIN, January 3, 1934

The 'Völkischer Beobachter' declares this morning that the French reply is lengthy and comprehensive. It is being carefully examined by the competent authorities. The tone of the answer is conciliatory and brings no sensation such as the 'Daily Telegraph', which was wrongly informed, announced. It was probable that the German Government would require several days to examine the French reply. Germany's reply to the French would probably not be given before another week. Until this were done it would not seem fitting to adopt any attitude towards the French memorandum.

The 'Völkischer Beobachter' also reproduces an interview between Herr Rosenberg and a special correspondent of the 'Paris Midi'. Herr Rosenberg declares that although he does not wish to deny that larger conferences, held on a basis of equality of rights, might meet with success, he nevertheless considers it better that two individual States particularly interested should discuss matters alone together, without third or fourth parties causing misunderstandings to arise. The Chancellor had taken the initiative, and it now depended upon France whether negotiations should be continued in this manner. Herr Rosenberg further declared that feeling in Germany was not by any means anti-French like [*sic*] it had been, for example, in 1923 and afterwards owing to the heavy tribute that France always insisted upon demanding. If it were possible to reach an understanding on the basis of equality of rights, feeling would still further improve and a large measure of appeasement would ensue.

In reply to a question, Herr Roesenberg strongly denied that Germany was suffering from any kind of inferiority complex. If Germany were herself

heavily armed to the teeth and then were to demand security it might be possible to talk of her inferiority complex. Finally Herr Rosenberg made renewed declarations regarding Germany's peaceful intentions.

Repeated to Paris and Rome.

**No. 160**

*Lord Tyrrell (Paris) to Sir R. Vansittart (Received January 9)*

*No. 16 [W 261/1/98]*

PARIS, January 3, 1934

Sir,

I have the honour to transmit to you herewith copies of the *aide-mémoire* on disarmament handed by the French Ambassador in Berlin to Herr Hitler on the 1st January, communication of which I have just received from the Ministry for Foreign Affairs.

2. The Ministry have requested me to say that this communication must be regarded as *strictly confidential*, as the German Government have asked that the *aide-mémoire* should not, for the present at any rate, be communicated to other Governments, to which request reply has been made that it will only be communicated *verbally* to the Governments with which the French Government are in contact on the question. It is desired, therefore, that no reference should be made by His Majesty's Government to the receipt of the document itself, but only to the verbal *résumé*<sup>1</sup> furnished you by the French Ambassador in London.

3. I have forwarded a copy of this despatch and of its enclosure to His Majesty's Ambassador in Rome by bag tonight for the information of the Secretary of State.

I have, &c.,  
(For the Ambassador),  
OLIVER HARVEY

<sup>1</sup> See No. 153, note 5.

ENCLOSURE IN NO. 160

*Aide-mémoire*

le 1<sup>er</sup> janvier 1934

A diverses reprises, le Gouvernement allemand avait formulé le souhait, auquel son Chef donnait une expression particulièrement solennelle, de voir engager entre la France et l'Allemagne une négociation dans laquelle seraient réglées les difficultés qui peuvent exister entre les deux pays.

Non moins nettement, le Gouvernement français a répondu à ces ouvertures. Il a affirmé sa volonté d'examiner, avec un désir sincère d'aboutir, toutes propositions qui seraient formulées dans l'intérêt général de la paix et dans un esprit réel de collaboration internationale. L'Ambassadeur de France a été chargé d'exprimer le désir de voir les intentions manifestées par

le Chancelier précisées d'une manière assez complète, pour que le Gouvernement de la République fût mis en situation d'apprécier les possibilités de succès ouvertes à la négociation.

Le Gouvernement allemand a bien voulu entrer dans ces vues: des déclarations ont été faites à l'Ambassadeur de France; des informations lui ont été données, soit verbalement, soit par écrit. Elles permettent aujourd'hui au Gouvernement français, après avoir procédé aux délibérations plus approfondies que l'Ambassadeur avait fait prévoir, de se prononcer sur les divers points jusqu'ici envisagés.

Ne s'attachant qu'aux propositions elles-mêmes du Gouvernement du Reich, et sans discuter pour l'instant les considérations générales invoquées à l'appui de ces propositions notamment en ce qui concerne l'état des armements de l'Allemagne, le Gouvernement de la République se félicite sincèrement d'apprendre que le Gouvernement du Reich est prêt à conclure avec tous ses voisins des pactes de non-agression; il va de soi, d'ailleurs, que la conclusion de tels pactes ne serait opportune que dans la mesure où, sans rien retrancher des garanties de sécurité résultant des accords déjà en vigueur et notamment des accords de Locarno, elle serait susceptible d'en ajouter de nouvelles, mettant les signataires à l'abri, à la fois, de toute menace contre leur indépendance extérieure et de toute tentative d'immixtion dans leurs affaires intérieures.

De même, le Gouvernement de la République enregistre avec satisfaction l'adhésion, au moins de principe, du Gouvernement du Reich à un contrôle, sur place, automatique et périodique, contrôle égal dans sa réciprocité, sans lequel, en effet, toute convention internationale concernant les armements serait inopérante. Il reste, d'ailleurs, à en préciser exactement les modalités, et le Gouvernement français serait heureux de savoir si l'Allemagne adhère aux mesures envisagées au cours des derniers travaux des Comités de Genève, auxquels elle n'a malheureusement pas participé.

Mais, sous réserve de ces précisions ultérieures, sur lesquelles une entente apparaît possible, un point capital a retenu notre attention sur lequel nous devons nous expliquer en toute franchise.

En même temps qu'il affirme sa bonne volonté, dans des conditions que (? qui)<sup>1</sup> devraient faciliter le règlement des difficultés actuelles, le Reich croit devoir énoncer, en matière d'armements un programme de revendications, qui va directement à l'encontre des principes jusqu'ici sanctionnés par la Conférence de Genève, avec l'assentiment de la Délégation allemande elle-même, et expressément visés par la Déclaration des Puissances du 11 décembre 1932,<sup>2</sup> à laquelle le Gouvernement allemand se réfère volontiers.

Le but de la Conférence, aux travaux de laquelle nous avons été associés, l'Allemagne et nous, c'est d'aboutir, par étapes, à une réduction substantielle des armements. Or, ce que le Gouvernement allemand semble envisager maintenant, c'est un réarmement, non moins substantiel, et qui n'est présenté comme susceptible d'être différé qu'en fonction de considérations financières.

<sup>1</sup> This emendation was suggested in the Foreign Office.

<sup>2</sup> See Volume IV of this Series, No. 220.

Des précisions que le Gouvernement allemand a bien voulu communiquer, il ressort, en effet, non seulement que l'Allemagne demande l'élévation à 300,000 hommes de ses effectifs permanents, mais encore que ce chiffre de 300,000 hommes serait loin de représenter le total des forces militaires dont elle aurait à tout moment la disposition sans avoir besoin de recourir à aucune mesure de mobilisation.

Il convient d'y ajouter, en effet, l'importante fraction des effectifs de police, dont le caractère d'organisation militaire a été reconnu dans les travaux antérieurs de la Conférence et dont la suppression ne paraît pas envisagée, malgré l'augmentation considérable des effectifs permanents qui résulterait du programme envisagé par le Gouvernement du Reich.

Il faut surtout y ajouter les organisations paramilitaires qui n'ont cessé de se multiplier depuis plusieurs années et qui, depuis l'avènement du présent régime, ont pris un développement et une consistance tels qu'indépendamment des considérations politiques que fait valoir l'État allemand, et dont il est seul juge, elles posent un problème militaire qui ne saurait être éludé.

Le Gouvernement français doit constater, en effet, qu'au moins une grande partie des hommes appartenant à ces formations reçoivent de cadres fournis par la Reichswehr ou formés par elle, une instruction militaire poussée; que, s'ils ne sont pas tous armés de façon permanente, ils sont du moins entraînés au maniement des engins de guerre; qu'ils sont à tout moment à la disposition de leurs chefs; que leur équipement, sauf le port du fusil de guerre, est, en tous points, comparable à l'équipement militaire; qu'à côté d'unités d'infanterie, ces organisations comprennent maintenant des formations motorisées, des unités de cavalerie, voire des troupes du génie; que leur organisation et leur répartition territoriale sont étroitement calquées sur celles de l'armée (compagnies, bataillons, régiments, brigades, divisions, circonscriptions militaires).

Dans ces conditions, quelles que soient les préoccupations politiques invoquées, la possibilité de l'utilisation militaire de ces organisations apparaît indéniable, et le Gouvernement français ne peut que maintenir, conformément aux décisions antérieures de la Conférence, que toute convention de limitation des armements qui, dans le calcul des effectifs, ne tiendrait pas compte de pareilles formations, ne permettrait d'instituer aucune comparaison équitable entre les forces en présence.

Le Gouvernement français constate également qu'en matière de matériel terrestre et aérien, le Gouvernement allemand demande un réarmement important dans l'ordre quantitatif comme dans l'ordre qualitatif, et il le demande immédiat, en invoquant l'égalité des droits, dont le principe a été reconnu dans la Déclaration du 11 décembre 1932. Mais cette égalité suppose, pour se réaliser pratiquement et équitablement, une égalisation et une uniformisation préalables des effectifs alloués à chacun pour la défense de son territoire. C'est l'Allemagne elle-même qui estime que plusieurs années sont nécessaires pour y parvenir.

Le Gouvernement français constate enfin que, si le Gouvernement alle-

mand donne son adhésion au principe du contrôle, il ne précise pas la question de savoir à partir de quelle date ce contrôle commencerait à fonctionner. Or, l'installation et la mise à l'épreuve de ce contrôle, dans des conditions de réciprocité complète, sont la condition même d'une application loyale de la convention; seules elles peuvent permettre d'effectuer, dans une sécurité mutuelle, les réductions envisagées.

Le Gouvernement français ne croit pas qu'une convention qui serait établie sur de telles bases répondrait aux intentions de l'ensemble des Puissances, telles qu'elles ont été exprimées dans les délibérations de la Conférence; et ce n'est certainement pas dans cet esprit qu'a été signée la Déclaration du 11 décembre. Il redoute qu'une telle convention ne prépare, au contraire, une course aux armements que l'effort commun des nations civilisées doit tendre à empêcher.

C'est précisément pour écarter ce péril qu'au moment où l'Allemagne a quitté la Conférence, le Gouvernement français était prêt à accepter un aménagement du plan britannique, qui, tenant compte du malaise politique existant en Europe, en même temps que des conditions pratiques de réalisation, aboutirait, par étapes, à une réduction importante des armements et à l'égalité des droits.

Ses intentions n'ont pas varié, et il saisit avec empressement cette occasion de fournir à l'Allemagne les précisions demandées par M. von Neurath dans sa dernière communication.

La France est prête à accepter un aménagement du plan britannique qui comporte, au cours des premières années d'application de la Convention, une réduction des effectifs français, synchronisée avec la transformation des forces allemandes actuellement existantes, de telle façon que les deux armées soient unifiées sur le type d'une armée défensive de service à court terme et à effectifs limités, afin de parvenir progressivement à la parité des effectifs français et allemands comparables, c'est-à-dire de ceux qui sont destinés à la défense du territoire métropolitain.

Pour les matériels terrestres, dès le début de l'application de la Convention, la France est prête à accepter l'arrêt à leur niveau actuel de tous ses armements, et, d'autre part, à interdire toutes fabrications de matériels de calibre ou de tonnage supérieurs à ceux qui seraient autorisés pour tous les États.

En même temps seraient poursuivies l'expérience et la mise au point d'un contrôle, applicable à tous les États, tant pour les effectifs que pour les fabrications ou importations de matériels.

Dans une deuxième phase de l'application de la Convention seraient réalisées, d'une part la suppression progressive des matériels dépassant les limites qualitatives communes fixées, d'autre part l'attribution aux États soumis aux clauses militaires des traités de paix, et suivant une progression également fixée par la convention, des matériels autorisés.

Le Gouvernement français est prêt à chiffrer exactement les effectifs, les calibres, les tonnages à inscrire dans une convention ainsi conçue. Mais il est clair que ces chiffres ne peuvent être discutés utilement qu'entre toutes

les Puissances intéressées et qu'une entente entre la France et l'Allemagne seules ne saurait suffire à les établir.

Toutefois, pour que le Gouvernement du Reich soit bien persuadé de l'importance des réductions qui seraient effectuées dans la deuxième phase, on peut indiquer dès maintenant que la France envisagerait volontiers d'aboutir à la réduction à 15 cm. du calibre des pièces d'artillerie mobile autorisées pour tous les États.

En ce qui concerne les armements de l'air et dès les premières années de l'application de la convention, la France, non seulement accepte l'abolition du bombardement aérien dans les conditions qu'avait définies la Conférence dans sa Résolution du 23 juillet 1932;<sup>3</sup> mais elle envisagerait même, si une telle réduction générale était acceptée par les principales flottes aériennes et accompagnée d'un contrôle efficace de l'aviation civile et des fabrications d'aéronautique, une réduction proportionnelle de 50 pour cent du matériel actuellement en service.

Elle considère, d'ailleurs, que le but final de ces réductions importantes devrait être la suppression de toute aéronautique militaire nationale et son remplacement par une force aérienne internationale.

Les grandes lignes de ce programme, dont la France est prête à discuter les détails avec l'Allemagne et les Puissances intéressées, suffiront à montrer combien est inexacte l'appréciation initiale, dont fait état le Gouvernement du Reich pour engager les conversations dans la voie des réarmements. Nous croyons, nous, qu'un désarmement progressif reste toujours possible, autant que désirable, et que l'adoption du programme ci-dessus défini, dont la mise au point et les précisions n'ont été interrompues que par le départ de l'Allemagne de la Conférence du Désarmement, offre, si l'Allemagne veut bien s'associer à son étude, les chances les plus sérieuses d'aboutir à ce qui doit être notre but commun : une réduction générale, substantielle et progressive des armements, libérant le monde d'un fardeau que la crise économique rend plus lourd et plus dangereux et qui menace la paix, autant que l'économie de tous les pays.

Quelle que soit, d'ailleurs, la divergence de vues qu'ont fait apparaître les communications du Chancelier sur un problème essentiel, et qui ne semble pas irréductible, si le Gouvernement allemand veut bien se convaincre que la voie des réductions d'armement reste largement ouverte — le Gouvernement de la République regretterait que ne soient pas poursuivies des conversations diplomatiques, dont à plusieurs reprises le Gouvernement allemand avait manifesté le désir.

Le Gouvernement de la République, en effet, a été heureux d'enregistrer l'assurance que le Gouvernement du Reich était disposé, à tout moment, à régler à l'amiable, par la voie la plus appropriée, les questions litigieuses qui pourraient s'élever entre la France et l'Allemagne. Il s'associe à ce sentiment. Il n'a cessé de pratiquer, même au prix de lourds sacrifices, cette politique nécessaire de bon voisinage et d'entente entre deux grands pays, dont l'accord dans une œuvre commune de collaboration internationale, serait la plus sûre garantie de la paix.

<sup>3</sup> See Volume III of this Series, Appendix VII.

D'ailleurs, l'examen des problèmes qui se posent à l'Allemagne et à nous, dès lors que, conformément à l'affirmation du Chancelier, aucune revendication territoriale n'existe plus entre les deux pays, convaincra vite le Gouvernement allemand que la plupart ne sont pas des problèmes franco-allemands mais des problèmes européens et que la France, pour rester fidèle à la politique de collaboration internationale, ne peut les envisager en dehors des divers Gouvernements intéressés et de la Société des Nations elle-même.

Mais, pour qu'il ne subsiste aucune équivoque sur sa propre pensée, le Gouvernement de la République tient à assurer le Gouvernement allemand que tous les problèmes peuvent être examinés entre les deux Gouvernements dans un esprit de compréhension mutuelle, dès lors qu'il sera bien entendu qu'il ne s'agit pas d'en préparer la solution en dehors des Gouvernements directement intéressés et contrairement aux dispositions d'un Pacte auquel nous restons comme eux attachés.

Aussi bien est-ce dans la Société des Nations que trouve pratiquement son application cette égalité de droits, si fortement revendiquée par l'Allemagne. C'est là que la coopération internationale peut le mieux s'exercer. Cette coopération, le Gouvernement français a maintes fois prouvé par ses actes qu'il ne la concevait pas en dehors du Reich. Il espère encore que le Gouvernement allemand se convaincra de ces réalités; qu'il ne maintiendra pas à l'égard de la Société des Nations une décision qui a été unanimement regrettée et qu'il ne persistera pas dans une abstention dont les conséquences ne seraient pas moins nuisibles à l'Allemagne qu'à l'ensemble de la communauté internationale.<sup>4</sup>

<sup>4</sup> This *aide-mémoire* is printed in the French official publication, *Negotiations relatives à la réduction et à la limitation des armements*, Document No. 8.

## No. 161

*Record of an Interview between Sir J. Simon and Signor Mussolini,  
January 3, 1934<sup>1</sup>  
[W 300/1/98]*

ROME, January 3, 1934

I had an interview of two hours with Signor Mussolini this afternoon. Signor Suvich was present. The latter had given to Sir Eric Drummond in the course of the morning two documents setting out the views of the Italian Government on the questions of disarmament and changes in the constitution of the League of Nations respectively. The conversation today was entirely about the first of these subjects, and Signor Mussolini asked me if I could come again at 5.30 tomorrow, when he would like to talk about the second of them, and also about Austria.

The first of these documents is annexed in an English translation, and in the course of our conversation Signor Mussolini said that he and Signor Suvich had collaborated in drawing up the original. Most of his conversation

<sup>1</sup> This record was communicated to the Foreign Office by H.M. Embassy at Rome.



was directed to developing in his own words the points made in the memorandum. But it will be convenient briefly to resume here some part of what he said.

He began by insisting that we had reached a position in disarmament which had already become an *impasse*, and which threatened the world with the gravest consequences if it were not speedily resolved. The practical alternative was between no agreement on disarmament at all (in which case not only would world opinion be profoundly disturbed, but Germany would rearm at pleasure), and a practicable agreement which would have to concede to Germany a measure of rearmament. He spoke of Germany's demand for an army of 300,000 men as one which was not likely to be whittled down, but insisted that she would be content in the convention with defensive armaments proportionate to the army allowed to her and would leave the highly armed Powers to decide amongst themselves whether they would, in the course of the period of the convention, abandon any of their highly offensive arms or not.

I interposed to make two observations. First, was it clear that Germany was prepared to be limited in the convention to defined quantities of defensive armaments? Would she not argue that the principle of equality of rights required that she should be free to have unlimited quantities as long as other Powers were unlimited in their quantities of these defensive arms? To this Signor Mussolini replied that he felt confident that Germany was content to accept appropriate limits; an army of a given size required its proper complement of such arms and no more. As regards the potential arming of the reserve which would be created in course of time, this would also be regulated. Secondly, I asked whether, if the other Powers did not disarm during the period of the first convention, we were to understand that Germany would then claim corresponding offensive armaments into the bargain; if so, with her larger population and greater industrial output, she would become definitely stronger than France and would threaten to dominate Europe. Signor Mussolini replied that he would be opposed to allowing Germany to take up this position. The safety of France against German aggression was a European interest, in which both England and Italy were vitally concerned.

Signor Mussolini then went on to describe the outlines of what he regarded as a possible convention in the actual circumstances, as indicated in paragraph 5 of the annexed document. When he referred to a standstill arrangement as regards budgetary expenditure and the level of existing armaments, I interposed to say that I thought our own position was well understood; we had recently disarmed so much that we should require provision to be made to enable us if necessary to correct the existing inequality. Perhaps it would be possible to take some other level than the latest figures. Signor Mussolini said that he understood our position in this respect.

When Signor Mussolini had gone through the scheme I said that, while the British Government fully shared his view that it would be disastrous if all this effort to regulate armaments ended without agreement, we also felt gravely

disturbed at the prospect of arriving at an agreement which would contain no disarmament at all. It would make a great difference if the highly armed Powers were able to go in for the abandonment of some of the most highly offensive weapons. No doubt it was true that the French cry of 'no rearmament' disregarded the fact that there was some rearmament of Germany involved in the British plan, but the British plan also provided for a measure of disarmament by others, and without this I felt sure that public opinion would be extremely dissatisfied. Signor Mussolini indicated that he was disposed to agree, and would not be averse to seeing plans worked out on those lines if this proved possible. He was convinced, however, that it was useless and dangerous to insist, in actual circumstances, on conditions such as a preliminary period of probation. Germany would never accept it, and it therefore did not provide a possible basis.

He attached great importance to the condition that Germany, as part of the projected arrangement, should return to Geneva and to the League of Nations. He considered that this would give great relief to France, who rightly regarded Germany's absence as an additional element of insecurity. We should say to Germany that we were now applying the principle of equality in actual fact, and that there could therefore be no excuse for her continuing to stay away.

In the course of the conversation Signor Mussolini emphasised that Italy had no desire to see Germany become unduly strong, and, indeed, that it was a mistake to suppose, as some people did, that Italian and German policy followed a common line. There were superficial resemblances, but that was all. For example, Italian policy in regard to Austria was wholly opposed to Germany, and he claimed that if it had not been for his strong support of Chancellor Dollfuss the Nazis would have become established in Austria and a virtual unity between Germany and Austria brought about.

I was careful to say that the document he had been explaining had only very recently reached my hands, and that in any case the subject-matter was such that I could not be expected to express views upon it before consulting my colleagues. Signor Mussolini indicated that he was thinking of communicating the document or something like it to France and Germany, and that he might decide to publish it shortly. I deprecated immediate publication, and told him that I hoped to be meeting some of my colleagues next week, and it might well be that our own considered view should be known before overt action was taken. Without making any definite promise, Signor Mussolini appeared to agree. I told him that I intended to return straight to England and was not likely to break my journey again at Paris. He said that there was no objection to our making the contents of his communication known to others such as the French.

Signor Mussolini said that he would like to see at the proper moment a meeting of the principal Powers, and he would be inclined to suggest that Poland might be added to the other four for the purpose. Signor Suvich mentioned the possibility of including a representative of the United States. Signor Mussolini said that he did not consider the time was quite ripe for

such a meeting, but there was no time to be lost, for otherwise the matter would get into the hands of the unwieldy number of Powers represented at Geneva, with confusing and time-wasting consequences.

J. S.

ENCLOSURE IN NO. 161

*Memorandum*

ROME, January 2, 1934

The Italian Government are convinced that the Government of His Britannic Majesty, having examined the problem of 'disarmament' with reference to the position of Germany as well as to the general situation, will concur with them in recognising that we have well-nigh reached the extreme limit of time available for overcoming the deadlock in which we have found ourselves since June last.

The Italian Government think it unnecessary to dwell on this premise. It will be enough to mention the existence of clear and numerous indications which go to prove that, if the solution be further delayed, the rearmament of Germany, instead of a debated question, will become a question which may or might be practically solved in a unilateral manner. The gravity of such a fact is self-evident in view of the difficulties which it would create for a peaceful, international and juridical solution of the problem of parity, for a European *détente* and for the possibilities of reaching a reasonable convention of effective disarmament in a near or not too distant future. It may be taken for granted that the results will be a renewed spirit of mutual suspicion, the division of Europe into hostile groups, and a race in armaments.

From this premise the Italian Government deduce that each Government must now assume their own responsibilities, decide to adopt a definite attitude, and be prepared to render it public, if and when it should prove necessary or advisable.

2. The experience of the discussions that have taken place during the past two years at the Disarmament Conference, the course of the diplomatic negotiations, the public declarations made by responsible statesmen, have brought the Italian Government, much against their will, to harbour well-grounded doubts whether the armed Powers desire or are able to agree on such measures of disarmament as would permit a solution of the present situation limiting the demands of Germany within the modest dimensions envisaged at a previous stage.

It is further necessary to bear in mind that Germany, by excluding from her demand for equality the heavier type of war material and confining her claim to the so-called defensive weapons—that is to say, the weapons that even on the most optimistic hypothesis would be retained by the armed Powers at least for the duration of a first period, or for that of a first convention—has in a measure dissociated the problem of equality of rights from that of effective disarmament. Such disarmament is therefore now presented as the task of the armed Powers exclusively, Germany having long ago completely done her part.

It follows that the undertaking to bring pressure upon her to make her recede from or moderate her claims for defensive material becomes all the more difficult, even if the armed Powers were willing to consent to an important and immediate reduction of their offensive armaments; for the position taken by Germany consists in denying the correlation between the two kinds of armaments, the first representing equality of rights, and the second disarmament, which does not bind her, as she is not armed.

The Royal Government desire, however, to state that their policy has been, is and intends to remain a policy of disarmament. They continue, therefore, to consider a solution in this sense as the most desirable. If, therefore, within a reasonable time, the negotiations which are being pursued should justify the hope that the armed Powers have unanimously resolved to undertake substantial measures of disarmament, Italy, in conformity with her own interests, not only would adhere to, but would not fail most gladly to associate herself with, an attempt to take advantage of this fact in order to obtain from Germany some further limits to her rearmament, over and above those which, in present conditions, it would appear possible to reach by means of agreements.

The Government of His Britannic Majesty will agree, however, that only clear intentions, clearly defined without delay, not subordinated to clauses or conditions that are already *a priori* unacceptable to other Powers, and of such a scope as to create a technically, juridically and morally sound position for the negotiators, would offer some hope of success. In the contrary event, we shall only have a renewal of academic declarations and counter-declarations, of discussions and of recriminations which, taking place before a public opinion ever more weary and discouraged, will not and cannot do anything to avoid the regrettable events to which allusion has been made.

3. Leaving such a possibility still open, therefore, but turning, as, indeed the urgency of the moment requires, to the actual situation, the Italian Government appeals to three principal criteria: that is to say, to a condition of fact, to a juridical point, and to an estimate of probabilities, that in their aggregate seem to them to restrict the field of possible solutions and combinations within limits equally clear, restricted and satisfactory.

(a) *Condition of Fact.* The danger that, if no agreement is reached, Germany may take on her sole initiative more than what should be the object of such an agreement. This consideration naturally raises the question of the possibility and scope of the sanctions, and of the willingness to apply them to prevent or repress such action on Germany's part.

The Italian Government are of opinion that the mere mention of such a question is enough to eliminate the possibility of its having to be taken into consideration.

(b) *Juridical Point.* It is undeniable that equality of rights has been solemnly recognised to Germany and to the other States disarmed by the peace treaties. The impossibility in which the armed Powers, signatories of the said treaties, find themselves of immediately reducing their armaments to a level reasonably approaching the level of German disarmament gives to the

German claim for rearmament a juridical and moral force of which it is not easy to deny the evident truth. And if it is possible to demonstrate, as will be shown below, that the condition of security is also found to be reasonably met, the argument in favour of Germany assumes a content not easy to refute.

(c) *Estimate of Probabilities.* The Italian Government cannot but give the utmost weight to the pacific declarations of President Hindenburg and Chancellor Hitler. Apart from the fact that it is not possible to base agreements on suspicion, one must admit that the repeated and uniform declarations of the Head of the German Government, perfectly coherent with the 'Weltanschauung' openly proclaimed and illustrated by him, afford confidence that definite agreements freely accepted would not only not be lightly broken, but would not, for the whole term of their duration, be compromised in the diplomatic field by demands for further concessions and modifications, as has occurred in the past.

And inasmuch as the scrutiny of what may be the interests and the possibilities of a contracting party undoubtedly confers a greater degree of certainty as to the sincerity of its pledges, the Royal Government express their considered opinion that the Germany of Hitler is at present taken up with a work of far-reaching transformation and internal readjustment, with which it would be difficult to reconcile designs for dangerous enterprises beyond the frontiers. No mention is made here of the material impossibility of carrying out such designs, if existent, because the argument as to such impossibility—for a period even longer than the one with which we are concerned—will be touched upon when dealing with security.

4. Admitting what has been said above, the Royal Government are of opinion that it is still possible to conclude a convention such as to satisfy—perhaps partially, but none the less positively—public opinion, especially if the latter were suitably enlightened. In considering this point it should be remarked that we have clear indications that even in neutral countries directly interested public opinion is adapting itself to the idea that the principal and practical question is no longer how to prevent German rearmament, but how to avoid that such rearmament should take place unregulated and uncontrolled, thus constituting a source of fresh troubles and of new and immediate dangers.

In dealing with this subject the Italian Government must, however, draw attention to the fact that if their former proposals intended to give Germany certain equitable satisfactions had met with approval, at once and on all sides, or at least with the comprehension shown by His Britannic Majesty's Government, the difficulties of an agreement would then have been certainly less. The fact that, in the last months, the German claims appear to have increased in an absolute sense, and that now we are obliged to face them in their new form, does not prove the inefficiency of diplomatic negotiations between the principal Powers which the Royal Government recommended, but rather the truth that we have let slip, and not by Italy's fault, the moment in which this method could have given a more satisfactory and complete result.

5. The convention, which the Royal Government think might be realised, and which might remain in force up to the 31st December, 1940, should in particular provide for:—

- (1) The abolition of chemical warfare, with every necessary measure of supervision to prevent preparation and training, in addition to the destruction of plants and factories for the production of war gases.
- (2) Prohibition of the bombardment of civil populations, bearing in mind that in the field of prohibition of bombardment from the air more radical measures will be possible where the rule of the interdependence of land, sea, and air armaments permits. It should be noted that such a measure ought greatly to facilitate the solution of the problem of equality of rights with regard to German air armaments.
- (3) Limitation to the present level of military expenditure by the Powers not bound by the peace treaties, with a proviso for expenditure on replacements and completion of defensive works.
- (4) Limitation to the present level of land war material of the Powers not bound by the said treaties, but provision for the replacement of material to be scrapped.

6. *Effectives.* It should be borne in mind that the German claim for an average daily effective of 300,000 men is subordinated to the supposition that the other armed Powers do not reduce their effectives to the figures put forward in the MacDonald Plan, but keep to their present figures. If it were found preferable to face the problem of reduction, Germany declares herself ready to rediscuss the figure given above. This being so, the Italian Government, considering the present level of effectives of, for instance, France, Poland and Czechoslovakia, doubt whether it can plausibly be argued that the ratios resulting from the MacDonald Plan have been altered in favour of Germany in the German proposals.

As to the particular problem of the reduction and standardisation of effectives, the Italian Government wish to point out that it would entail so many delicate problems between other contracting Powers, that facing it might cause damaging delays in the conclusion of the agreement. The Italian Government, in what particularly concerns them, must frankly declare that the modification of the present organisation of land effectives in the sense of the MacDonald Plan would certainly entail an increase of expenditure not compensated by corresponding economies with regard to war materials.

They are therefore prepared to negotiate on the basis of the *status quo* and of limitation as envisaged by the German proposals. As to the stages in which the transformation of the German forces and their increase would take place, the Italian Government are of the opinion that technical requirements impose such stages upon Germany, and that therefore an opportunity is offered to make them an object of contractual obligations. It is to be noted that the work of transformation could not take place without the conspicuous incapacity for action, not only offensive but also defensive, that usually accompanies such periods of radical change in military organisation.

Whilst it seems difficult to reject in principle the German claims for defensive armaments—guns up to 6-inch calibre, tanks up to 6 tons, scouting and fighting planes—if we hope to see them realised under a régime of convention and supervision, the limits and the measure of the ratio between the defensive war materials and the effectives to be granted might form the object of negotiations.

7. *Naval Armaments.* Apart from the consideration of any further statements coming from Germany and dealing with this subject in detail, the eventual revision of the conditions applying to German naval armaments might be postponed until the next Naval Conference.

8. To the concessions, which an agreement on these lines would entail, France would find an immediate and an extremely effective counterpart in the maintenance intact of her powerful armaments, which are in themselves sufficient to afford her an overwhelming superiority throughout the duration of the convention. The mere consideration of this superiority should suffice to conclude that the problem of 'security' is thus virtually solved. If, however, one adds to this the efficiency of the formidable system of permanent defensive works along the French frontiers, and the fighting strength of other Powers forming part of the French political system, any further consideration of the problem of material security—that is to say, of security based upon superiority of strength—seems useless.

9. As to security based on treaties, it is unnecessary for the Italian Government to remind His Britannic Majesty's Government of the value of the clauses embodied in the Treaty of Locarno and the Pact of Rome. It is not so much the formal and treaty aspect of security which gives its value to the Four-Power Pact, as the continual and methodical collaboration between the great western Powers which its clauses contemplate, and this both in the field of disarmament and in other fields.

The Italian Government consider themselves in honour bound by the Locarno Treaty no less and not otherwise than the British Government, and owing to this loyal attitude they hold, no less than the British Government, that further guarantees not only exceed requirements, but, by repeating themselves, would progressively lessen their intrinsic value.

The German Government have further recently offered the conclusion of ten-year non-aggression pacts to all neighbouring States.

10. A last and fundamental counterpart to the acceptance of Germany's demands—representing in itself a new contribution to security—might be the undertaking on the part of Germany to return to Geneva, not only with a view to signing the General Disarmament Convention, but to resume her place once more in the League of Nations. The Italian Government is particularly anxious to call the British Government's attention to the first-rate importance of such a step.

11. Finally, the Italian Government cannot lay too much stress upon the necessity that the exchanges of view which are at present taking place should at last lead to sufficient progress to enable the entire question to emerge from the actual deadlock, thus justifying a meeting of the Foreign Ministers

or of the heads of the Governments of the four western Powers, a meeting to which the representatives of the other principal Powers concerned might be invited.

No. 162

*Letter from Mr. Campbell (Paris) to Mr. A. W. A. Leeper*

[W 156/1/98]

BRITISH EMBASSY, PARIS, *January 3, 1934*

Dear Leeper,

In answering your enquiry regarding the report in 'The Times' today that the French reply to Hitler had been deliberately expedited in order to avoid pressure by a friendly Power with a view to its amendment, I think it is simplest to set down the exact course of events here.

2. On learning of the French Government's decision to reply to Hitler's memorandum without waiting for his reply to Phipps, the Ambassador asked to be received by Boncour with a view to ascertaining the facts and to urging that he should hold his hand for the present. (Paris telegram No. 325 Saving<sup>1</sup> of December 28.)

3. The interview did not take place till late in the evening of December 29, when Boncour confirmed his intention of replying to Hitler at once and said that it was impossible to delay it. (Paris telegram No. 122.)<sup>2</sup>

4. On the afternoon of December 30 the Ambassador received Vansittart's telegram No. 249.<sup>3</sup> Boncour and Chautemps had meanwhile left Paris for the New Year holiday. He thereupon dictated a personal letter to Léger in which he reproduced Vansittart's reasons in favour of postponing the despatch of a reply until the German Government had replied to ourselves.

5. As however it was very doubtful whether Léger would still be in Paris himself and the Ambassador was afraid that the French reply might be sent off before the French Government realised how unwise we thought their precipitancy was, we decided to mention it to the Diplomatic Director of Havas, who is always in touch with the Government and would certainly be able to convey our views to them. The Director, who is very reliable and is frequently used by the Embassy for conveying unofficially hints of this kind, did in fact get in touch with Léger who, however, also received the Ambassador's letter. During the night a journalist rang up the Director who merely replied to a question on the subject by saying 'Les Anglais ne sont pas très contents de nous'. Upon this very slight basis the journalist then proceeded to construct a story that we had sought to get the French memorandum *altered*.

6. It was well known in Paris that Hymans had taken strong objection to the policy embodied in the French memorandum. It was also known that Lord Tyrrell had been received by Boncour on December 29. Having regard to the general line of British policy as described in the British press which was interpreted as favourable to accepting Hitler's terms as a basis, it was

<sup>1</sup> No. 147.

<sup>2</sup> No. 149.

<sup>3</sup> No. 148.



assumed that His Majesty's Government were opposed to the firm French reply which the French press for their part had announced to be imminent. The conjunction of the Hymans and Tyrrell visits was quite enough therefore to confirm the journalist's view that pressure had been applied by the Belgian and British Governments towards amending the French views. This story was then naturally taken up and repeated in a number of papers.

7. Daniels, whom we sent for today, said that his report in 'The Times' was based on French newspaper reports, notably the 'Débats'. He himself did not attach any importance to the point, never supposed that His Majesty's Government were designated as the culprits, but thought that it was the Belgians. The actual wording of his telegram gives the impression that an official or semi-official statement had been issued. This was not the case. The whole story is based on the more or less intelligent piecing together of different bits of information as described above.

8. In conclusion, it only remains to state that of course there never was any question of our asking the French to *alter* their memorandum: all that was done was to suggest to them the advisability of *postponing* its delivery.

Yours ever,

OLIVER HARVEY

(This is Campbell's letter but he has had to go to an appointment at the Ministry before he could sign it.)

### No. 163

*Lord Tyrrell (Paris) to Sir R. Vansittart (Received January 4, 4.0 a.m.)  
No. 3 Telegraphic [W 157/1/98]*

PARIS, January 4, 1934, 1.40 a.m.

In conversation with M. Léger this evening<sup>1</sup> I told him I thought it regrettable that the French Government had not taken us into their confidence sooner in the matter of their reply to the German Chancellor's proposals. He made the following defence: Though Government's general attitude had been settled for some time it was not until meeting of Council of Ministers on December 27 that it was definitely decided to make a reply at a comparatively early date and that its terms were broadly settled; when I had seen M. Boncour in the evening of December 29 the draft as he had told me himself (see my telegram No. 122<sup>2</sup> of December 30) had not been completed and it was not until 1 o'clock the following day that final touches had been put after a long discussion between M. Boncour and M. Daladier and that it was decided to take advantage of Herr Hitler's anticipated presence in Berlin on New Year's Day to deliver the document. Reason for unexpected hurry was inaccurate versions which had begun to appear in the press and which it was feared might produce reactions in Germany such as might

<sup>1</sup> This telegram was drafted on January 3.

<sup>2</sup> No. 149.

compel the Chancellor to take an intransigent attitude from which he would be unable to retreat.

2. I asked M. Léger how interview had gone off. He replied that so far as it went it had gone off well. M. Poncet in delivering memorandum had emphasised that French Government had no wish to elude obligation they had assumed in signing declaration regarding equality of rights; they were sincerely anxious to reach a settlement but it must be by disarmament from above rather than rearmament from below. Chancellor, pending a careful study of document, had confined himself to two remarks. First was that French Government appeared to be offering him more than he had asked for since he had been prepared to allow France to retain her existing armaments. Second was to the effect that though France was ready to take course outlined in memorandum there was no assurance that Germany's other highly armed neighbours were similarly disposed. He had then gone on to dilate in usual terms on unmilitary character of para-military associations and of necessity of their maintenance. Finally he had repeated his ardent desire for a settlement. Interview had been throughout most cordial in tone.

3. In the course of some further conversation M. Léger developed the following argument in support of his belief that course indicated by French Government was the one which had the best chance of leading to a settlement. Existence of para-military formations was an absolute stumbling-block for France. On the other hand French Government realised that very existence of Hitler régime depended on their maintenance at present while new Germany was still in process of organization. Germany had said that transformation of Reichswehr would take four years. During this period the French army would also be converted so as to conform to British plan. It was not really reasonable that Germany should ask for additional defensive arms required for her larger short-service army until process of transformation was complete. During this period therefore there would be no change as regards armaments except that under French plan as just communicated France would begin at once to reduce her air force. When transformation of the two armies was complete and there was absolute equality between metropolitan forces of the two countries Germany would acquire the additional defensive weapons appropriate to numerical increase of her army and France would begin to destroy her offensive weapons. It was possible that in four years' time maintenance of para-military formations in their present form would no longer be essential and that they could be demilitarized or otherwise disposed of in some manner acceptable to France. There seemed no other way of surmounting this obstacle which at present blocked all possibility of agreement. Moreover provided that Germany's other neighbours came into line (M. Léger hinted that France would exercise her influence to that end) she could only refuse to accept some such solution by overtly admitting that it was after all her own rearmament rather than disarmament of her neighbours that she was aiming at. This would put her definitely and finally in the wrong.

Repeated to Rome and Berlin.

*Record of an Interview between Sir J. Simon and Signor Mussolini,  
January 4, 1934<sup>1</sup>*

[W 299/1/98]

BRITISH EMBASSY, ROME, *January 4, 1934*

The further interview with Signor Mussolini, which took place today, lasted for nearly two hours and dealt with four subjects. Signor Suvich was again present.

(1) *Disarmament*

His Excellency first returned to the subject of disarmament, which we had discussed yesterday. He said that he understood it to be my wish that he should publish nothing until after my colleagues had had the opportunity of considering next week what he had communicated to me. He agreed to this course. Any indications that the Italian Government might have to make of their point of view in the meantime would at most be given verbally. Secondly, he appreciated the force of my criticism that an agreement on this question which did not actually provide for some measure of disarmament would have a very different welcome from one on the lines he had first indicated. He agreed that this was so and would favour the alternative if it was possible to secure it. I told him of the further information which had come to hand since our meeting yesterday as to the contents of the French note to Germany. He also had had some information, and agreed that the tone of the note was good and showed a desire to be conciliatory. His information, like ours, was that the German Government had been favourably impressed as to this. But he felt that the substance of the note indicated an intention on the part of the French to stand by the October suggestions in substance. No agreement could be reached on the basis that there was to be a period of trial in the first place and the promise of concessions only after this period had elapsed. I asked him to note that the French, as I now understood, were proposing a 50 per cent. reduction in air forces from the beginning, and added that, inasmuch as his impression, like my own, was that the French note was framed in conciliatory fashion, it would seem a good thing to give the French Government the support and encouragement of indicating our appreciation of this fact. The prospects of ultimate agreement would not be improved if France felt isolated, and it was just as necessary to get France's agreement as Germany's. Signor Mussolini said that he agreed and he would put this suggestion into practice by informing the French Ambassador here tomorrow of his satisfaction as to the conciliatory tone of the French note, even though he did not agree with all its terms. I said that I should take the opportunity of doing the same with M. Corbin as soon as I reached London, and would tell him that I knew this was also the

<sup>1</sup> This record was communicated to the Foreign Office by H.M. Embassy at Rome.

Duce's view. Before leaving the subject, he impressed on me his confident opinion that Herr Hitler really wanted to secure peace, but that the best way to deal with him was not to haggle 'like a notary', but to say boldly and without lengthy debate on detail what was possible and would be agreed. He was much pleased to learn of Sir E. Phipps's impression, after seeing Herr Hitler (the Duce has never seen him himself), that the German Chancellor would not be over-persuaded by a course of reasoning, but would respond to a bold line which touched his imagination. 'If your Ambassador has appreciated that at his first interview', he said, 'he is a diplomat of the first order.'

## (2) *Constitution of the League of Nations*

Signor Mussolini then developed at considerable length his ideas about the reform of the League of Nations. I had already received from Signor Suvich a paper on the subject, a translation of which is annexed. I took up the attitude throughout this part of the conversation that the British Government were most anxious to hear what was in Signor Mussolini's mind, but I avoided making any comments of a sort which might seem to indicate approval of definite points. He first explained his view on the necessity of detaching the Covenant from the Peace Treaties. The reference in the Covenant to 'the Allied and Associated Powers' was historically right, but psychologically wrong. If we wanted to get rid in the League of Nations itself of all taint of a distinction between victorious and defeated Powers, the Covenant must be a self-contained and entirely separate document. After all, he observed, Powers from time to time changed places in the lists of victors and vanquished.

Next he referred to the necessity of reconsidering the unanimity rule. He did not in conversation expound the particular proposals on this head contained in the annexed paper, and indeed they speak for themselves. Another matter on which he felt a change was needed was in the constitution of an executive committee. It was, in his opinion, just as necessary in the case of the League of Nations as it was in the constitution of a limited company. The Council was too large a body for this purpose. Then Article 16 was like flourishing a revolver which either was not loaded or could only be discharged into the air.

I enquired whether any changes which he had in mind to propose were changes which he considered could be brought about by the machinery for amendment contained in Article 26. That article required that the members of the Council should be unanimous. He said that he certainly contemplated this and, at any rate, it is what he would try for. There would have to be a good deal of preliminary consultation, and he thought opinions would gradually form in favour of the essential changes.

I said that there were two matters on which I should like to be quite clear. The first was the following: The Italian memorandum on disarmament spoke of a fundamental condition, that in return for concessions made to Germany, Germany should re-enter the League of Nations. Was I to under-

stand that this condition meant that Germany should re-enter the League of Nations as it was *now* constituted, or was it contemplated that changes in the constitution should take place *before* Germany rejoined? Signor Mussolini replied with emphasis that his meaning was that Germany should return to the League of Nations as now constituted. He had not the least intention of encouraging amendments to the League before Germany rejoined. She might be the more inclined to rejoin because amendments had been mentioned as possible, but there must be no doubt on the order of events. For this reason he regarded his proposals for amendments of the League as distinctly secondary to a settlement on disarmament. If a settlement on disarmament could be reached, the League would recover from the very dangerous condition in which it found itself, and improvements in its machinery would be important. If no settlement was reached, he very much feared that the League would go from bad to worse. I said that I was extremely glad to have his declaration on this subject, for I agreed that if one of the conditions of a disarmament settlement was that Germany should return to the League forthwith, that would be a real encouragement to France, whereas if the idea was that Germany would only return after the League had been altered, e.g., in respect of the unanimity rule, it seemed to me that France would be more alarmed than ever.

I introduced my second question by observing that when the 'reform' of the League was spoken of the phrase might be understood in either of two senses. Reforming a thing sometimes meant strengthening it and making it more efficient; but there was another meaning, which was changing it to one's liking so as to make it less effective. Might I ask in which sense Signor Mussolini spoke of 'reforming' the League? He replied, with very great emphasis, that his whole object was to strengthen and revivify the League. There was no truth whatever in the idea that Italy contemplated leaving the League. He thought that if it was to do the work it was intended to do, changes were needed, but all that he had in mind was directed to making it a more efficient and practical instrument. I said that I thought there would be considerable relief to the public mind in many quarters if he was able to make this plain, and he said that he was willing to put the statement of his view on this subject into the communiqué, the draft of which will be settled tonight.

### (3) *Austria*

Signor Mussolini repeated what he had said yesterday, that, on the subject of Austria, the Italian view was completely opposed to that of Germany. Italy gave Chancellor Dollfuss its full support in order to prevent the victory of the Nazis in Austria, which would only mean a unification in spirit between Germany and Austria. I said that British policy on the subject of Austria had been clearly stated in the House of Commons and elsewhere. We regarded the integrity and independence of Austria as an object of our policy, and would use all our influence to this end. We could not, of course, intervene more actively. Signor Mussolini said that Italy's position was the same

as our own save that, owing to her physical contiguity, she could do more for Austria than we could be expected to do (I took this to be, possibly, an obscure reference to Italy's desire for preferential trade arrangements, but as he did not touch on commercial relations at all I did not broach the subject).

#### (4) *Malta*

Signor Mussolini said that Anglo-Italian relations in all great affairs were so good that he regretted what he called 'this little cloud' arising between us. He would claim to speak with complete frankness because he spoke with complete friendliness. He was convinced that we were making a great deal too much of this comparatively trumpery question, and he ventured to hold the view that it was not worth while. He regarded it as quite absurd to treat the Maltese *patois* as a literary language to be taught in schools, and he was himself convinced that our efforts to restrict the teaching of Italian would have quite the contrary effect to what we supposed.<sup>2</sup> He evidently thought that our policy had been inspired by fears of Italian permeation in a political sense, for he observed that admirals and generals in all countries took a strictly professional, but rather narrow, view of the scene in front of them and often entertained suspicions which were groundless. Before this trouble, the island of Malta simply did not exist as far as Italy was concerned. Newspapers and politicians cared nothing about it. They realised that the Maltese population was most loyal to the British connexion and would remain so. He considered that a mistake had been made, and we were all of us from time to time liable to make mistakes. He would express the hope that after a necessary lapse of time (for no one could change decisions in a hurry) the matter might be reconsidered so that 'this little cloud' might be dissipated. I said that I could not be expected to go into the subject thoroughly at the tail-end of a long interview, but that the decision that had been reached was a deliberate decision of the Cabinet. It was not inspired by any failure to appreciate the value of Italian culture or the sentiments of Italians for their own language. Before the decision was made, we had had a commission in Malta, which had made a valuable report. The situation had been complicated at one time by what seemed to us unjustified intervention on the part of the Roman Church (Signor Mussolini interrupted to say that his Government had nothing to do with that), and, moreover, it appeared to us quite absurd to suppose that small children whose mother tongue was Maltese could learn at elementary schools two other languages. Signor Suvich interposed to say that the great mass of Maltese inhabitants understood Italian, but to this I demurred. Many Italians living in Italy spoke in their own homes a local *patois*, but learnt good Italian at school. I said that there was no resemblance, as far as I could see, between the relation of an ancient Phœnician tongue to Italian and the relation of the various dialects of Italy

<sup>2</sup> In September 1933 the Governor of Malta had issued an Aliens Ordinance, the general effect of which was to make the existence of foreign institutions in Malta dependent on a licence granted by the Governor.

to literary Italian. The discussion was not pursued further, but Signor Mussolini repeated at the end that he was quite convinced that too much was being made of what was really a small matter, and that, regarded with the eye of far-sighted statesmanship, it would be better to allow the difficulties to fade away in course of time by some adjustment which would leave no sense of strain.

We agreed the annexed communiqué.

J. S.

### *Communiqué*

(Translation.)

In two long and cordial conversations which took place yesterday and today at the Palazzo Venezia, the Head of the Government and the British Minister for Foreign Affairs examined the major questions of general policy and, in particular, the question of the reduction and limitation of armaments and the question of the reform of the League of Nations.

In regard to the first question, the Head of the Government and Sir John Simon found themselves in full agreement in holding that it is absolutely indispensable that the discussions should be ended as soon as possible, that all ideas or proposals which do not contain in themselves elements of a practical and prompt solution should be abandoned, and that particular attention should be paid to those points which, in international public opinion, may be considered ripe for solution and on which the agreement of the interested States is possible.

In regard to the question of the reform of the League of Nations, the Head of the Government indicated the line on which he considered that this reform should take place in order to ensure that the League should work better and more nearly attain its objects.

Sir John Simon leaves tomorrow for London, where he will inform his Government of the conversations.

### ENCLOSURE IN No. 164

#### *Points concerning a Reform of the League of Nations*

(Translation.)

ROME, January 2, 1934

The League Covenant will constitute a self-contained instrument. It will be detached from the peace treaties by means of an appropriate amendment in its Preamble as well as in Articles 4 and 5 which either explicitly or implicitly refer to these treaties.

2. The principal Powers recognise the expediency of a procedure which would make it possible to commit all or some of the functions assigned to the Council by the peace treaties to another body whenever this should be considered necessary. With this end in view, they agree to take the initiative to bring about the necessary agreements.

3. A Permanent Committee composed of the permanent members will be

created in the Council of the League itself. This committee will consider beforehand all questions to be submitted to the Council and will, if necessary, hear any country not represented in the committee whose interests are directly involved.

The Permanent Committee will on each occasion decide as to when a question is to be submitted to the Council.

Every decision of the Permanent Committee of the Council must be unanimous.

4. The Great Powers will of course continue to be permanently represented in the Council, but this will be so constituted as to afford to every member of the League the effective possibility of being equitably and in turn represented in the Council itself.

Except in so far as may be otherwise determined by a special rule, the decisions of the Council will be taken with the approval of the permanent members and of two-thirds of the other members.

5. The submission to the Assembly of any case coming under Article 15 of the Covenant will be made in virtue of a decision of the Council, even if the request for submission is made by the parties or by one of the parties concerned.

The functions contemplated in paragraph 2 of Article 11 will be reserved exclusively to the Council.

6. Except in so far as may be otherwise determined by a special rule, the decisions of the Assembly will be taken with the approval of the permanent members of the Council and of the majority of the other members of the League.

7. The Permanent Committee will decide the method of applying the measures proposed by the Council according to the Covenant, to ensure the maintenance of peace or the fulfilment of obligations arising out of the Covenant.

With this end in view the Permanent Committee may promote consultations with States non-members of the League whenever this may be deemed advisable.

8. The Secretary-General of the League will keep the Permanent Committee informed of all activities of the Secretariat.

The studies, which are at present being undertaken with a view to reforming the Secretariat, will be continued in order to ensure a better solution of all problems requiring attention and a speedier and more efficient procedure in dealing with business.

#### No. 165

*Sir E. Phipps (Berlin) to Sir J. Simon (Received January 6, 2.30 p.m.)*  
*No. 4 Telegraphic [W 224/1/98]*

BERLIN, January 6, 1934, 2.12 p.m.

Baron von Neurath is expected back in Berlin tomorrow evening and I



will try to see him on Monday.<sup>1</sup> It is expected that Chancellor will be back in Berlin for general State business about Tuesday. He is, I gather, in Berlin today but is probably leaving again at once for party meeting in the south.

Meanwhile impression at Ministry of Foreign Affairs regarding French note is that while its tone is conciliatory and German Government are anxious to make progress towards a settlement the note offers little opportunity. It is felt that it makes no advance on the position on October 14, except possibly in regard to aviation, and even that is doubtful owing to reservations in French note.

I learn in confidence that draft reply to my note of December 20 was (? actually)<sup>2</sup> approved by Minister for Foreign Affairs and (? submitted)<sup>2</sup> to Chancellor. Meanwhile French *aide-mémoire* was received and it was decided to defer reply to us until that had been considered. Present impression at Ministry of Foreign Affairs is that reply to our note will now take into account French *aide-mémoire* and give general statement of German position. Matter however awaits decision by Ministry of Foreign Affairs and by Chancellor.

Repeated to Rome and Paris.

<sup>1</sup> January 8.

<sup>2</sup> The text is here uncertain.

#### No. 166

*Sir E. Phipps (Berlin) to Sir J. Simon (Received January 9, 9.30 a.m.)*

*No. 5 Telegraphic [W 276/1/98]*

BERLIN, January 8, 1934, 9.11 p.m.

My telegram No. 4.<sup>1</sup>

Baron von Neurath confirms last paragraph of above. He hopes to hand me German reply this week. He will give me copy of reply to French *aide-mémoire* at the same time. In this reply questions will be asked of French regarding aviation proposals it not being clear what they mean to do with the 50 per cent. of their aeroplanes or to which of the latter their offer applies. Does it refer only to bombers or to their entire military aviation? There will be other questions asked: but conversations will continue.

Baron von Neurath then asked me to impress upon His Majesty's Government how impossible any speedy issue of conversations is. French Government were now in the throes of a big financial scandal<sup>2</sup> which might bring M. Herriot back to the Quai d'Orsay and retard any chance of a settlement. Until cycle of weak French Governments had ended and a really strong Government emerged we must all have patience. Herr Hitler realised this also only too well. If matter merely lay between two solid Governments such as British and German far quicker results could of course be obtained.

Repeated to Rome.

<sup>1</sup> No. 165.

<sup>2</sup> The Stavisky affair.

Lord Tyrrell (Paris) to Sir J. Simon (Received January 10)

No. 39 [C 198/138/18]

PARIS, January 8, 1934

Sir,

I have been endeavouring to follow French reactions to the recent German-Polish *rapprochement*.

2. The advent to power of the Left parties after the 1932 elections brought a definite change of attitude in France towards Poland and the Little Entente. The parties of the Left always disapproved the policy of lending money to these small States which was to be used on armaments. In the case of Poland dislike was added to disapproval because Marshal Pilsudski was regarded here as a militarist dictator. The Left, moreover, disapproved of the satellite system itself as a military and political means of containing Germany; they thought the satellites likely to be a source of trouble rather than of security, of weakness rather than of strength. They preferred the policy of direct *rapprochement* with Germany.

3. These have been the governing influences in France since 1932. The rise of Herr Hitler in Germany, which might have been expected to bring the satellite system back into favour, did not in fact do so in any appreciable degree. On the other hand, it revived to some extent the policy of containing Germany by means of Russia. This was chiefly because M. Herriot had meanwhile discovered Soviet Russia and was using all his influence in resuscitating this earlier policy.

4. Next came the Four-Power Pact negotiations last spring, which Poland and the Little Entente did their best to frustrate. France, urged by Great Britain, and prompted also by a genuine desire to improve her relations with Italy, persisted and the pact was concluded. That she was anxious, nevertheless, not to alienate her allies was shown by the pains which she took to make the pact less unpalatable to them and to calm the apprehensions of the Little Entente before initialling. Poland alone remained irreconcilable. The French Government displayed considerable exasperation at the persistent and clumsy way in which she voiced her remonstrances, and ended by ignoring them.

5. The mutual dissatisfaction thus engendered was not completely dispelled by Colonel Beck's visit to Paris last September and undoubtedly contributed to the lack of candour towards France with which Poland embarked on the recent conversations with Germany. The first reaction in this country was a feeling of annoyance, but it was accompanied by a certain relief at witnessing a *détente* in German-Polish relations which had come to be regarded here as a vulnerable point in the French armour. This latter feeling has tended to prevail, though it is only human that the French Government, who do not like Colonel Beck, should still nourish a certain resentment at his clandestine methods of procedure.

6. The general conclusion is that France would be glad to see Poland come

to some arrangement with Germany which would diminish the risk of a Polish-German conflict, but that at the same time she will spare no pains to prevent Poland from casting off altogether the French guiding-rein, and to retain a supervising control over her policy. In this endeavour she will be guided by the consideration that the alliance works both ways and that in the event of a Franco-German conflict Polish assistance would be invaluable.

7. I recently asked the Ministry for Foreign Affairs for their latest news regarding the progress of the German-Polish *rapprochement*. The reply was that they believed that virtually nothing had been done since the issue of the famous communiqué.<sup>1</sup> In general their view is that, though Poland took the initiative in promoting the conversations, it is now Germany which is making the running. They think that since the deterioration in German-Soviet relations, due to the advent of the Hitler régime, Poland is endeavouring to substitute herself for Germany in the economic sphere. She is in a precarious industrial situation owing to the paucity of her foreign markets, and she hopes to capture the Russian trade previously in the hands of Germany. Towards the latter her motives are political; it flatters her vanity to negotiate directly with Germany, and she is probably sincerely desirous of concluding some arrangement which will diminish the risk of a conflict. Having seen that Herr Hitler was ready to respond, and as the risk of a conflict being precipitated from the German side is not imminent, she can afford to be in no hurry. Germany, on the other hand, is anxious to conclude some arrangement soon, both because she is not altogether easy in her mind as regards Polish intentions and because Herr Hitler wishes to show his people that Germany is not isolated. The conclusion of an agreement with Poland would be the first of the pacts of non-aggression which Germany is offering to her neighbours, and would be a fine feather in the Chancellor's cap.

8. I cannot vouch either for the accuracy of the French information or for the correctness of the views expressed by the Ministry for Foreign Affairs. For the reasons already referred to Franco-Polish relations are not so intimate as they were, and I have the impression that the French, though unwilling to admit it, no longer possess the full confidence of the Polish Government. At the same time Poland is certainly not entirely emancipated from French influence, and, if it is a fact that she is showing no haste to pursue the discussions with Germany, I suspect that her hesitation is due at least in part to warnings given by the French Government, who doubtless do not wish her to commit herself until the general situation is clearer.

9. On the other hand, the French Government are undoubtedly encouraging Poland to improve her position with the Soviets. This fits in with the present trend of French policy. Though whether matters have advanced as far as is suggested in Viscount Chilston's telegram No. 1,<sup>2</sup> I am at present unable to say. It is clear that the French Government, inspired by the cooling

<sup>1</sup> Of November 15. See No. 59, note 3.

<sup>2</sup> In this telegram of January 5 Lord Chilston quoted a report that M. Litvinov had admitted the existence of a defensive agreement between France and the U.S.S.R.

of their relations with Poland and, to lesser extent with the Little Entente, and convinced, as they now are, that they cannot count on Great Britain for any accession of security, are busy making up to the Soviets. On the face of it nothing is more probable than that they should endeavour to induce the Soviet Government to enter some security arrangement within the framework of the League. Apart from the security aspect the accession of Russia to the League would be, in French eyes, a valuable counterpoise to Germany's secession. On the Russian side the moment would appear to be propitious; sandwiched as she is between Germany and Japan, who have both sent in their notices of withdrawal, Russia may well feel the need of the security which membership of the League would bring. An indication that her mind has been turning in this direction is to be found in the fact that she has of late been co-operating at Geneva in a more serious and helpful manner than she has been accustomed to do. M. Dovgalevsky, the Soviet Ambassador here, recently paid a hurried visit to Moscow, and it seems to me well within the bounds of possibility that he took with him suggestions from the French Government not wholly connected with commercial affairs.

10. During recent visits to the Ministry for Foreign Affairs I have more than once endeavoured to find out what exactly has been passing between France and the Soviets. On each occasion I received the impression that the subject was distasteful, from which I inferred that something was in the wind. I will continue to watch the matter, but I hardly expect the French Government to take us into their confidence until the something, whatever it may be, has taken definite shape.

11. I have sent a copy of this despatch to His Majesty's Ambassadors at Berlin, Moscow and Warsaw.

I have, &c.,  
TYRRELL

#### No. 168

*Sir E. Phipps (Berlin) to Sir J. Simon (Received January 10)*

*No. 6 Saving: Telegraphic [W 303/1/98]*

BERLIN, January 9, 1934

A somewhat involved semi-official commentary on the French *aide-mémoire* appears in the press this morning. The tone is slightly ironical but definitely conciliatory at the same time. The gist is as follows:

The political and technical significance of the French document is such that an answer need not be expected for many days to come. In view of the importance attached by the German Government to direct Franco-German negotiation it need hardly be emphasized that the German Government will examine the document in a spirit of genuine understanding and with the intention of reaching an early and acceptable convention. They remain convinced that these diplomatic methods are preferable to those of Geneva.

It is alleged in the French and the foreign press that the *aide-mémoire* contains new and important proposals for actual disarmament, and that France is prepared to make concessions and even sacrifices. This view is of great interest for the German Government, who, as everybody knows, have always championed general disarmament and are anxious to achieve German equality by disarmament. The Government are therefore scrutinising the *aide-mémoire* carefully in search of new or even old disarmament proposals. In view of the hesitant attitude of France on this decisive point it is safe to assume that this readiness to disarm, emphasized in the international press, is not so clearly or concretely embodied in the document that any genuine advance can be discerned. Further enquiries in Paris will presumably be necessary to elucidate the full scope of the French proposals.

For instance disarmament in the air appears particularly in need of elucidation. The proposal to reduce the French air force by internationalising half of it would not interest Germany, for it would be all the same to Germany whether France and her Allies had 6,000 machines or 3,000 machines, so long as Germany was forbidden to possess any. Her inferiority would remain unchanged. On the other hand, a definite promise to abolish the air force by a given date would be of interest. Germany might then waive the construction of an air force of her own.

Again the foreign press asserts that France has abandoned the probation period, that sign of discrimination against Germany. Yet it would seem that this is not the case, and that the French Government are still clinging to a two-period convention differing but little in its essence from the Simon proposal of October 14. During the probationary period Germany would obtain nothing, the others would not disarm, and the execution of the Versailles Treaty by Germany would meanwhile be controlled.

What Germany must continue to demand is genuine equality. And that after all is the object of these negotiations, namely to elucidate the difficult points bit by bit, and so reach ultimate agreement.

Repeated to Paris and Rome.

#### No. 169

*Sir J. Simon to Sir E. Drummond (Rome)*

*No. 10 Telegraphic [W 425/1/98]*

FOREIGN OFFICE, *January 10, 1934, 12.30 p.m.*

The Italian Chargé d'Affaires called to give me message from Signor Suvich who had instructed him to tell Mr. Henderson that Italian Government would like disarmament meeting at Geneva adjourned until exchanges of views between great Powers were completed. Suvich's telegram implied that I had agreed to this course when in Rome. I explained to Vitetti that this was hardly the case, for the proposal had never been put before me in that form. I understood that Suvich was in favour of a short adjournment, but its

length and nature had not been described to me as above and I doubted very much whether Mr. Henderson would favour so vague a definition of the length of postponement. I told Vitetti, however, that Norman Davis had already asked for an adjournment until January 27 at earliest and that I believed that the French so far agreed. Vitetti is reporting what I said to Rome and will probably leave Grandi to make the communication to Henderson when the former arrives in two days' time.

Repeated to Paris and Washington.

**No. 170**

*Sir E. Phipps (Berlin) to Sir J. Simon (Received January 12)*

*No. 37 [C 260/20/18]*

BERLIN, January 10, 1934

Sir,

I have the honour to report that General von Hammerstein, the 'Chef der Heer[e]sleitung,' or Commander-in-chief of the Reichswehr, tendered his resignation on the 27th December. According to the official notification, General von Hammerstein is to be replaced on the 1st February next by Lieutenant-General Freiherr von Fritsch, who has for over a year been in command of the third division in Wehrkreis III (Berlin).

2. The resignation of General von Hammerstein, in view of his political leanings, was to be expected sooner or later. Ever since General von Blomberg discovered his penchant for National Socialism—a discovery which he made at his very first meeting with his new Chancellor—relations between him and General von Hammerstein became less and less cordial. The position was not eased by the fact that the Chief of Staff at the Ministry of Defence, Colonel von Reichenau, had also discovered, even before the Chancellor's accession to office, that his sympathies were with the Nazi party, and had been so for a very considerable time.

3. Although General von Hammerstein's resignation was, therefore, not at all surprising, the appointment of General von Fritsch was unexpected. The new Commander-in-chief, or 'Chief of the Army Directorate' as he is called in German, is, like his predecessor, a distinguished soldier. He was born on the 4th August, 1880, at Benrath (in the Rhineland). On the 21st September, 1898, he was given a commission in the 25th Artillery Regiment in Darmstadt. After attending the Staff College he was appointed to the General Staff, on which he served with distinction during the war. Like so many of his colleagues on the staff, his sympathies were not particularly reactionary, and he gladly took service under the Weimar Republic when many of his regimental comrades disdained the new régime. Promoted to the rank of major-general in 1930, he became Commander of the 1st Cavalry Division on the 1st October, 1931, and as Lieutenant-General was given the command of the 3rd Division (Berlin) on the 1st October, 1932.

4. I have delayed reporting General von Fritsch's appointment in the hope of ascertaining what actually transpired behind the scenes. It will be remembered that General von Hammerstein was reported on good authority to have intervened on behalf of General von Schleicher about a year ago, and to have besought the President to ignore the advice of Herr von Papen, who was urging the appointment of Herr Hitler to the chancellorship. Rumour had it at that time that General von Hammerstein was prepared, if his somewhat weak-kneed Chancellor had only been able to make up his mind, to use military force in order to suppress the Hitler movement and restore constitutional government. That something of the kind was meditated in military circles is beyond doubt, and the National Socialists have since viewed General von Hammerstein with suspicion. My Roumanian colleague informs me that General von Hammerstein did intervene energetically with the President when Hitler's appointment to the chancellorship was under consideration, on the ground that Schleicher's dismissal would be resented by the army. According to his version, Herr von Papen entered the President's room and clinched the matter in Hitler's favour by arguing that the President would be descending to South American methods if he had to listen to the army when making political appointments.

5. I learn from two reliable sources that the President proved much less accommodating to the Nazis on this occasion. General von Blomberg, in his quality of Minister, after consultation with Herr Hitler and Röhm, had made up his mind some months ago that General von Hammerstein should disappear early in the New Year and be replaced by von Reichenau, whom the Nazis regard with special indulgence. Accordingly, he submitted Reichenau's name to the President as soon as General von Hammerstein's resignation was tendered. The President reacted with unexpected energy. He flatly refused to make an appointment which would, he said, be grossly unfair to a long list of competent officers who were senior to von Reichenau, and who would bitterly resent the appointment, for obvious political reasons, of a junior officer to the highest army command. He went on to say that, so long as he remained President, he would not countenance the introduction in this way of politics into the army. General von Blomberg then pointed to the recent precedent, namely the promotion of Captain Göring to the rank of general. The President then lost his patience, stood up from his writing-desk, and stated that he had promoted Göring most reluctantly, and only because Göring was not a soldier at all in his opinion. He had been in the flying corps, where he understood that he did very little flying and a great deal of talking. It was absurd to make a comparison between the two cases, and he was determined to appoint the next senior officer with a blameless record to the army command. In due course General von Fritsch was summoned and appointed.

6. The attitude of the Nazi press to the new appointment tends to bear out this version. The 'Angriff' of the 4th January remarked pointedly that the new Commander-in-chief possessed 'the President's special confidence'. It went on to say that, under the new system, the absurd democratic usage of

appointing civilians to the post of Defence Minister had been abandoned. Consequently, the really important post of command was that of General von Blomberg. The post of 'Chef der Heeresleitung' was, it hinted, only that of second-in-command.

I have, &c.,  
ERIC PHIPPS

No. 171

*Lord Tyrrell (Paris) to Sir J. Simon (Received January 13)*

*No. 52 [C 275/20/18]*

PARIS, *January 10, 1934*

Sir,

I took an opportunity this afternoon to ask M. Léger to tell me frankly what the French Government had in mind when they thought of demanding the application of Article 213 of the Treaty of Versailles.

2. After I had sketched briefly some of the consequences which it seemed to me such a demand must lead to, he replied that his Government had not got so far as to contemplate any given moment for advancing it. They had made up their minds that agreement must be reached by way of disarmament of the highly armed Powers, rather than by the rearmament of Germany, and they were prepared, as they had shown, to go a very long way to give effect to that principle. M. Chautemps would be much criticised in Parliament, as he was going even farther than it was known that M. Daladier had been prepared to go. He would come in for a rough time, especially from those elements which held that it was madness not to have accepted the Chancellor's offer, which was more advantageous to France than the line she was taking. M. Chautemps, however, was much impressed with the international aspect of the situation, and preferred to work for agreement in accordance with the obligations assumed by France. He was offering Germany a plan which she would not be justified in refusing and which he hoped would lead to agreement. If it did not, and there was no other resource left, then would be the time to make an appeal to the League of Nations. If that situation arose, France would certainly not give up her right under Article 213.

3. In reply to a question from me, M. Léger remarked that, if the League could not withstand the strain, it had better shut up shop at once. France's policy towards the League was well known; she had made it the keystone of her policy, and its disruption would be a most serious blow to her. But a League which dared not function and remained ineffective would be worse than no League at all.

I have, &c.,  
TYRRELL



*Record of a Conversation between Sir J. Simon and Mr. Henderson*

[W 450/1/98]

FOREIGN OFFICE, *January 11, 1934*

Sir John Simon called on Mr. Henderson this morning and spent over an hour with him. M. Aghnides and Mr. Strang were present.

Sir John Simon recalled that, before leaving for Italy immediately before Christmas, he had handed to Mr. Henderson very confidentially a copy of the note addressed by Herr Hitler to Sir Eric Phipps on the 11th December, stating the German position on the question of disarmament. He had at the same time informed Mr. Henderson of the general purport of the instructions sent to Sir E. Phipps to seek the elucidation or confirmation of certain points raised in Herr Hitler's communication.

Sir John Simon said that no reply had yet been received to Sir E. Phipps's communication, though it was expected that such a reply would be received shortly. As Mr. Henderson knew, the French Government had also addressed a communication to the German Government, to which no reply had yet been received. He had not gathered while in Paris last December that the French Government had any immediate intention of addressing any such communication to the German Government, and he understood that the decision to do so was probably taken for reasons of internal politics. He understood that Mr. Henderson had been shown a summary of this French communication. The Foreign Office had also received a summary and he had an English translation of it with him, which he would hand to Mr. Henderson for his confidential information if the latter wished. Mr. Henderson said that he would, of course, be glad to have it. The Secretary of State said that this French communication (the general contents of which he had first heard when he was in Rome) was conciliatory in tone. He had found that Signor Mussolini shared this view, and he had begged him to let this be known to both the French and German Governments.

Sir John Simon then gave Mr. Henderson a general account of what had passed at his interviews with the French Ministers in Paris and with Signor Mussolini in Rome, both as regards disarmament and reform of the constitution of the League.

Turning to more recent developments, Sir John Simon informed Mr. Henderson of the contents of Berlin telegram No. 5<sup>1</sup> of the 8th January, in which Sir E. Phipps reported that the German Foreign Minister hoped to hand [him] the German reply to the British communication during the present week, and promised to give him a copy of the German reply to the French *aide-mémoire* at the same time. In the latter the Germans intend to put certain questions to the French about their aviation proposals. The German Foreign Minister also insisted on the impossibility of any speedy issue to the

<sup>1</sup> No. 166.

conversations. The conclusion which the Secretary of State drew from this telegram was that the Germans had no present intention of breaking off the conversations, and he thought it was fair to say that the method of confidential bilateral communication had not only proved useful so far, but had not yet exhausted its possibilities. To this Mr. Henderson agreed. The Secretary of State said that this made him think that it might be desirable not to be in too great a hurry to resume negotiations at Geneva, although it was perfectly clearly understood that the object of the present parallel and supplementary efforts was to prepare the way for a return to Geneva. It was important, however, not to allow the parallel efforts to be drawn out too long, lest the impression should grow up in France that the Germans were merely playing for time in order to proceed with their illicit rearmament.

Mr. Henderson at this point said that he had been considering what should be his own movements in the immediate future. He proposed to leave London on Tuesday, the 16th January, to break his journey in Paris, and to travel to Geneva on Wednesday, arriving on Wednesday evening. He hoped to hold a meeting of the officers of the Bureau on Friday, the 19th January, in order to take a decision as to the date of the next meeting of the Bureau. The programme of work adopted by the Bureau on the 22nd November had fixed no date, but had provided that resumption should take place during or after the January session of the Council on a date to be fixed by the President in consultation with the officers. No date had yet been fixed, and all the press statements suggesting or assuming the contrary were complete inventions. He thought it unlikely, however, that a meeting of the Bureau could be called before about the 29th January.

Sir John Simon said that it would probably be difficult for him to go to the Council for the opening of the session, but he intended to maintain the practice by which the Secretary of State attends all ordinary sessions of the Council. He would probably arrive at Geneva not later than Thursday morning, the 18th January. Mr. Eden would go for the opening of the session. Mr. Henderson said that he hoped that Sir John Simon would be able to attend the meeting of the officers of the Conference in order to give an account of his consultations in Paris and in Rome, but this question was left open.

Sir John Simon then remarked that there were two questions which he felt would inevitably cause concrete difficulty in the future, and these gave him great concern. The first was the idea, implied though not expressly stated in the latest French communication to the Germans, that the French were still thinking in terms of a convention by which provision would be made for the inspection and verification of the state of German armaments before any disarmament by the French would take place. He felt sure that the Germans would absolutely refuse to accept any such provision. Mr. Henderson said that he had noticed that the French did not, in their latest communication, speak of two periods, though there was one vague reference to a second stage. He had remarked on this to the member of the French Embassy who had shown him the summary of that communication, and the latter had agreed

with him that it was perhaps a hopeful sign that the French had dropped specific reference to a period of probation.

Sir John Simon said that the second difficulty would arise over the question of the para-military organisations, which the Germans would almost certainly not disband, and in regard to which some provisions would have to be made in a disarmament convention. The French and Germans disagreed as to the character of these organisations, the Germans holding that they were political organisations established for reasons of internal policy and having no military character, whereas the French attributed a considerable military importance to them. Signor Mussolini, who had similar organisations of his own, shared the German view. Our own experts thought that the French rather exaggerated the military importance of these organisations, but that they had, nevertheless, a certain military utility.

Mr. Henderson then broached the question of guarantees for the execution of the Convention, in regard to which he is *rapporteur*. He asked whether His Majesty's Government had been able to consider the French proposals<sup>2</sup> handed by him to the Secretary of State at their last interview. The Secretary of State said that these proposals had been considered; but he thought that the line which we should take would be a rather different one, namely, the extension of the provisions of Part I of the Draft Convention to cover not only

<sup>2</sup> These French proposals, sent to Mr. Henderson in a note of December 5 and communicated by him to the Foreign Office in a letter of December 15, are printed in the French official publication, *Négociations relatives à la réduction et à la limitation des armements*, Document No. 5. They were as follows:

(1) The Permanent Disarmament Commission should invite a State which violated the Convention to fulfil its obligations within a period to be fixed.

(2) Meanwhile the State concerned would lose the rights enjoyed under the normal functioning of the Convention (participation in commissions of investigation, right to make complaints, right to depart from the Convention, &c.).

(3) A serious violation might be treated as a breach of the Kellogg Pact.

(4) A commission of investigation would be sent to see that the violation ceased within the period laid down.

(5) If the violation continued after the period fixed, the other signatories of the Convention would be bound to put into effect in common the forms of pressure necessary to ensure the execution of the Convention.

(6) These forms of pressure would be financial and economic; the principal ones would be laid down in the Convention and the Permanent Commission would adopt them according to circumstances and the gravity of the case: (closing of the foreign market to loans issued by the State concerned, financial assistance to States threatened by the violation, rupture of economic relations, boycott of imports from the State concerned, prohibition of some or all exports to the State concerned).

(7) Finally the Permanent Commission would be able to recommend the breaking of diplomatic relations and to invite signatories of the Convention to give technical assistance to States threatened by the violation.

(8) If war followed a violation of the Convention it would be presumed that the State guilty of the violation was the aggressor.

The Convention would also allow for regional pacts to organize the application of the principles laid down.

Any State threatened by a violation of the Convention would be free to depart temporarily from the provisions of the Convention.

breaches of the Pact of Paris, but also violations of the Convention established by the Permanent Disarmament Commission. It might be desirable also to prescribe that the consultation which would follow the establishment of a breach should deal with the question not merely of whether any steps should be taken, but of what steps should be taken. Mr. Henderson had himself, he thought, suggested that there would be advantage in making the object of such a consultation rather more specific in this sense.

Mr. Henderson said that he had handed the French proposals on this subject to Mr. Hugh Wilson in London before Christmas, when the latter was on his way to the United States. Mr. Wilson had on that occasion taken up what had seemed to Mr. Henderson a rather too definite line, to the effect that the United States Government could not possibly go further in the matter of guarantees of execution than they had in the matter of breaches of the Pact of Paris, namely, that if they agreed with the results of the consultation they would not interfere with the steps taken in pursuance thereof. He had just received a letter from Mr. Wilson stating that Mr. Norman Davis confirmed this view, and that they had not thought it necessary even to submit the matter to their Government.

It was agreed, at Mr. Henderson's suggestion, that Mr. Henderson, as President of the Conference, should issue a statement with regard to his meeting with Sir John Simon. A copy of this statement is annexed.

#### ANNEX TO No. 172

##### *Statement*

*January 11, 1934*

Sir John Simon, accompanied by Mr. Strang of the Foreign Office, saw Mr. Henderson at his flat today and informed him of the present position arising out of the parallel and supplementary efforts now in progress. M. Aghnides, Director of the Disarmament Section of the League of Nations, was also present.

During the conversation Mr. Henderson informed Sir John of the nature of the communications he had received on the question of adequate guarantees for the loyal execution of the Convention, on which he had to report to the Conference.

Mr. Henderson intimated that he hoped to be able to leave London on Tuesday. He will break his journey in Paris and proceed to Geneva on Wednesday. He hopes to hold a meeting of the officers of the Bureau on Friday in order to take a decision as to the date of the meeting of the Bureau. The programme of work adopted by the Bureau on the 22nd November fixes no date as to when the Conference will resume work, but provides that such resumption shall take place during or after the January meeting of the Council of the League, the date to be fixed by the President in consultation with the officers of the Bureau. These consist of the Vice-Chairman, M. Politis; the *rapporteur*, Dr. Benes; and M. Avenol, Secretary-General of the League.

No. 173

*Sir J. Simon to Sir E. Phipps (Berlin)*

*No. 5 Telegraphic [W 464/1/98]*

FOREIGN OFFICE, *January 12, 1934, 6.0 p.m.*

My telegram to Rome No. 12.<sup>1</sup>

I presume that the reply of German Government to His Majesty's Government and French Government is likely to be received next week. I hope that its transmission will not be accompanied by any publicity incompatible with the objects aimed at by His Majesty's Government in my above-mentioned telegram. Any action that you can take to promote this object will be of value to His Majesty's Government.

<sup>1</sup> No. 174.

No. 174

*Sir J. Simon to Sir E. Drummond (Rome)*

*No. 12 Telegraphic [W 464/1/98]*

FOREIGN OFFICE, *January 12, 1934, 6.30 p.m.*

1. I have now had the opportunity of reporting on my Rome and Paris discussions to the Prime Minister and some others of my colleagues. Please inform Signor Mussolini that they appreciate the great importance of his suggestions on both the main topics which we discussed together and feel that they constitute a valuable contribution to the object we all have in view. My colleagues confirm the suggestion which I made to His Excellency in the course of our meetings.

2. As regards disarmament, we are impressed with the value of the methods of bilateral consultation so far employed and consider that they have not yet exhausted their usefulness. We are particularly impressed with the importance of encouraging the continuance of friendly exchanges between Paris and Berlin to the fullest extent possible and trust that the differences between French and German points of view may thus be further reduced. Anything that Rome or London can contribute to this end in the appropriate quarters will be valuable. Consequently, we are strongly of opinion that opportunity should be given for the present methods to continue for a little longer, without unduly wasting time, and that further discussion at Geneva will be more hopeful if undertaken after such opportunity has been given. In the meantime it would seem preferable that neither the Italian Government nor His Majesty's Government should risk prejudicing or complicating the conversations by issuing any pronouncement pending their further development, at any rate until the nature of the German Government's reply to the French Government and His Majesty's Government is seen. We are at the same time urging utmost possible reticence in Berlin and Paris.

3. Please inform Signor Mussolini at once of the views in above paragraph and ask whether he agrees.

Repeated to Paris and Berlin.

**No. 175**

*Sir J. Simon to Sir E. Drummond (Rome)*

*No. 13 Telegraphic [W 464/1/98]*

FOREIGN OFFICE, *January 12, 1934, 9.10 p.m.*

My telegram No. 12<sup>1</sup> of today.

Mr. Eden is leaving for Geneva on Sunday<sup>2</sup> to attend the meeting of the Council of the League of Nations and looks forward to seeing Baron Aloisi there. I propose to go there for the same purpose on Wednesday or Thursday and I understand that M. Paul-Boncour will be there at the same time.

<sup>1</sup> No. 174.

<sup>2</sup> January 14.

**No. 176**

*Sir J. Simon to Lord Tyrrell (Paris)*

*No. 3 Saving: Telegraphic [W 464/1/98]*

FOREIGN OFFICE, *January 12, 1934*

My telegram to Rome No. 12.<sup>1</sup>

If there is a debate on foreign affairs in the Chamber next week I earnestly trust that in the course of it the French Government will not adopt any attitude or make any pronouncement incompatible with the object therein described. Anything that you can do to this end will be of value to His Majesty's Government.

<sup>1</sup> No. 174.

**No. 177**

*Sir E. Phipps (Berlin) to Sir J. Simon (Received January 13)*

*No. 9 Saving: Telegraphic [W 462/1/98]*

BERLIN, *January 12, 1934*

The French Ambassador tells me that the German Government are most anxious that the last French *aide-mémoire* should not be published. It is for this reason that only a résumé, and not the full text, of the *aide-mémoire* has, in deference to German wishes, been communicated by the French to the other Powers. The French Government, on the other hand, would like to publish this document, which they consider would place Germany in an awkward position before world opinion.<sup>1</sup>

<sup>1</sup> The French Note of January 1 was published in Paris on February 1, and is printed in Cmd. 4512 of 1934.

M. François-Poncet hopes we may both receive tomorrow the German replies to our last communications, but the German Government are evidently embarrassed: hence the delay. I believe, moreover, that they are anxious regarding the situation in general, not knowing precisely how far Great Britain, France and Italy are working in common, or what those Powers' ultimate intentions may be. Fears are still felt by the Government, and hopes entertained in anti-Nazi circles, that the French may after all decide to occupy the left bank of the Rhine. Such action would probably mean the end of the Hitler régime.

No. 178

*Sir J. Simon to Sir R. Lindsay (Washington)*

*No. 51 [W 469/198]*

FOREIGN OFFICE, *January 12, 1934*

Sir,

Mr. Atherton called this morning with reference to future proceedings about disarmament at Geneva. Mr. Hugh Wilson, he said, is sailing from New York on the 17th January and is travelling via London, so he ought to be here about the 22nd or 23rd. Mr. Norman Davis, on the other hand, was making arrangements to travel direct to Geneva, where he might arrive about the 27th. Mr. Atherton enquired whether I could give his Government any information as to the probable resumption of Geneva discussions, and as to my recent conversations in Rome and Paris.

2. I gave Mr. Atherton a short outline of what had occurred during these visits, and as regards the date of resumption at Geneva told him of my interview yesterday with Mr. Henderson,<sup>1</sup> who intends to leave for Geneva next Tuesday, with the purpose of consulting the officers of the Bureau as to the date of resumption. I told Mr. Atherton that Mr. Henderson appeared to take the view (with which I agreed) that the recent diplomatic exchanges had been useful, and that the usefulness of this method was not exhausted. We ourselves hoped, therefore, that time would be given for communications between France and Germany to be carried on a stage further, in the hope that this might bring agreement closer. It was impossible to say on what date Mr. Henderson would propose that the Bureau should resume, but my own feeling was that it was quite possible that a rather later date would be preferred to the end of January.

I am, &c.,  
JOHN SIMON

<sup>1</sup> See No. 172.

No. 179

*Sir E. Phipps (Berlin) to Sir J. Simon (Received January 13, 2.0 p.m.)*

*No. 14 Telegraphic [W 472/1/98]*

BERLIN, *January 13, 1934, 1.38 p.m.*

Your telegram No. 5<sup>1</sup> and my telegram No. 9 Saving.<sup>2</sup>

Secretary of State told French Ambassador that we should probably receive German reply on January 16.

In view of German desire for reticence I do not propose to press for it here.

<sup>1</sup> No. 173.

<sup>2</sup> No. 177.

No. 180

*Sir E. Drummond (Rome) to Sir J. Simon (Received January 14, 9.30 a.m.)*

*No. 15 Telegraphic [W 475/1/98]*

ROME, *January 14, 1934, 12.45 a.m.*

Your telegram No. 12.<sup>1</sup>

As Signor Mussolini was speaking in the Senate this afternoon I saw Signor Suvich and explained to him your views. After some discussion I enquired whether he could not give me an assurance that no pronouncement would be made by Signor Mussolini before at any rate we had learnt the nature of German reply to French *aide-mémoire* and answers to questions put by His Majesty's Government.

2. After telling me that Signor Mussolini had, as reported in my telegram No. 13,<sup>2</sup> already informed French and German Ambassadors here of substance of what he had said to you, Signor Suvich stated news he had received as to progress of Franco-German conversations was not encouraging. Though German reply would be most courteous in character German Government held that France still stood fast by October proposals. This being so it might be necessary for someone to force the pace and he thought Signor Mussolini rather than wait much longer would prefer to make an early public declaration though he might well agree not to move till more was known of the exact terms of the German reply.

3. I remarked that French in their memorandum had surely gone beyond their October position and each time either country made even a small advance, by so much were the differences between the two lessened. Surely it was advantageous exchange should continue without public declarations from third Powers which could only at the moment complicate matters. I asked him whether I could not therefore tell my Government that no public declaration by Italian Government would be made in the immediate future. After some hesitation Signor Suvich said that he would try to persuade—and thought he would succeed—Signor Mussolini to agree to give us enough

<sup>1</sup> No. 174.

<sup>2</sup> Not printed.



warning, if and when he intended to make a public statement, to allow of an exchange of views between us on the point. He promised me a definite answer tomorrow.<sup>3</sup>

4. From something he let drop I am inclined to think German Government have already indicated to Italian Government the line they intend to take.

Repeated to Paris and Berlin.

<sup>3</sup> Sir E. Drummond reported later on January 14, in Rome telegram No. 16, that Signor Suvich had informed him that the Italian Government would not make any pronouncement that week, and would in any case inform His Majesty's Government before doing so.

## CHAPTER IV

# German replies to the British and French Notes of December 20 and January 1: British Memorandum on Disarmament: the German-Polish Non-Aggression Pact: Austro-German relations (January 15-31, 1934)

### No. 181

*Mr. Patteson (Geneva) to Sir J. Simon (Received January 16, 9.30 a.m.)*

*No. 2 L.N. Telegraphic [W 517/1/98]*

GENEVA, January 15, 1934, 11.45 p.m.

Following from Mr. Eden.

Massigli came to see me this afternoon to discuss outlook for disarmament. He told me that his Government had not yet received a reply from German Government though they had been led to expect it some days ago. He was a little anxious lest it might be German intention to hold up this reply until meeting of Council was over and representatives of the Powers at Geneva were once more separated. If therefore French Government did not receive a reply by Wednesday<sup>1</sup> they would ask Berlin to speed it up. M. Massigli feared that German answer would probably consist in the main of questions. If this were the case did we wish to continue this process of conversations through diplomatic channels or did we think the time ripe for some other step? I said that it seemed impossible to answer that question without knowing the terms of the German reply but I did not deny parallel and supplementary efforts through diplomatic channels might soon be exhausting their usefulness.

2. Massigli thought that it would be useful if our air experts and those of French Government were to seek to agree upon terms which would embody French proposals for a 50 per cent. reduction of air forces. I told Massigli that this proposal was unacceptable to us in the form put forward by the French Government. He fully appreciated our point of view but thought that it would be useful if we could make an attempt to agree upon a method of applying this principle. If you think this worth pursuing perhaps an Air Ministry representative could come here for the purpose. French Government would then be glad to send an air representative also.

<sup>1</sup> January 17.

I understand that M. Paul-Boncour proposes to leave for Geneva as soon as foreign affairs debate is concluded in the Senate either on Tuesday night or Wednesday.

No. 182

*Mr. Patteson (Geneva) to Sir J. Simon (Received January 16, 9.30 a.m.)*  
*No. 4 L.N. Telegraphic [W 513/198]*

GENEVA, January 15, 1934, 11.45 p.m.

Following from Mr. Eden.

I had a conversation with Baron Aloisi this evening on the subject of the Saar. He said that he was determined to do all in his power as *rapporteur* to secure a solution of this troublesome question. He foresaw two main difficulties, first that of policing area during plebiscite and second that of date. As to the former it was difficult to see from what countries any police that might be required could be drawn. As to the latter Germans were anxious that voting should take place at the earliest possible moment in January while French would prefer March.

I then asked Baron Aloisi whether he had any information as to German reply to French Government on disarmament. He said that he had and read to me a summary of an interview which had taken place between German Ambassador and Signor Mussolini. From this it appeared that while German reply was friendly in tone it argued that French proposals did not in fact materially depart from position taken up by French Government and others in October. In order, however, to elucidate the position further, German reply asked a number of questions of detail of French Government.

Interview between Mussolini and German Ambassador went on to deal with Russo-German relations as to which Baron Aloisi expressed himself more than once as much concerned. He feared that Russia was being drawn more and more into the European concert, that her attitude towards Germany was distinctly unfriendly and that there was a danger of a return to something like the balance of power which preceded 1914. Throughout our conversation he kept harping back to his concern over Russo-German relations.

Baron Aloisi asked me whether His Majesty's Government had yet had time to consider Signor Mussolini's memorandum in respect of disarmament. In reply to your request Signor Mussolini was holding up any publication or further action but Italian Government would be glad of our observations in due course.

Repeated to Rome, Paris, and Berlin.

No. 183

*Sir E. Drummond (Rome) to Sir J. Simon (Received January 16, 9.0 a.m.)*  
*No. 19 Telegraphic [W 570/1/98]*

ROME, January 16, 1934, 12.5 a.m.

I have strong suspicion that Signor Mussolini's present intention is to make some public pronouncement on disarmament situation on Sunday next<sup>1</sup> or shortly afterwards. Signor Suvich whom I saw this afternoon<sup>2</sup> would not pledge himself beyond Saturday. I asked him if he would not promise me at least one day's warning. He replied that awkward thing was that he himself would be away but that he would see what could be arranged.

(2) He stated that Signor Mussolini did not believe either French or German Government were carrying on the present exchange of views with any expectation that an agreement would be reached and he replied [*sic*] that if this were so they were in reality wasting time.

(3) I remarked that while an agreement might not be possible at any rate differences at present existing between the two Governments might well be diminished and I mentioned in support of what I said that new German note would put certain detailed questions to the French Government. I fear however that these arguments will produce little if any effect since Signor Mussolini has I believe made up his mind in favour of early public declaration.

(4) If therefore you consider such declaration would be harmful I venture to suggest that it might be best to discuss the matter as soon as possible with Baron Aloisi. I do not consider that in the present circumstances I can usefully do more at this end since as a result of your recent visit and of instructions you have sent me Italian Government is fully aware of point of view of His Majesty's Government.

Repeated to Paris, Geneva and Berlin.

<sup>1</sup> January 21.

<sup>2</sup> i.e. January 15.

No. 184

*Sir J. Simon to Sir E. Drummond (Rome)*  
*No. 59 [W 607/1/98]*

FOREIGN OFFICE, January 16, 1934

Sir,

Signor Grandi, who has just returned from Italy, called today. He had seen Signor Mussolini after my interviews on the 3rd and 4th January, and gave a very encouraging account of the effect which they had produced. The Ambassador said that he was himself able to measure this, since he had also been in close touch with the Palazzo Chigi just before my arrival, and there was no doubt that the view which Signor Mussolini was disposed to take on several matters had been clarified, and in some respects modified, by our

talks. Signor Grandi had repeated to him what I had told the Ambassador in Rome, viz., that any reform of the League of Nations should be regarded as secondary and subsequent to the immediate question of disarmament, and that Signor Mussolini had confirmed his agreement with this point of view. He had also confirmed that his purpose was to strengthen, and not to undermine, the League. As regards Franco-German exchanges about disarmament, Signor Mussolini had told him that he agreed with me that the French note was conciliatory in tone, and that both France and Germany should know that this was our joint view. The Ambassador added that, since Signor Mussolini did not leave Italy, he had few opportunities for the sort of conversation which had taken place between us at Rome, and it therefore made the more effect upon him.

2. I told the Ambassador that the point on which I hoped that I had exercised some influence on the Italian view was as to the possibility of some disarmament. We felt strongly that we ought still to aim at something better than a mere standstill arrangement. For example, in the matter of mobile guns, as to which Chancellor Hitler had now made it plain that Germany must furnish its short-term army with guns of 155 mm. calibre, we would press that the Powers with mobile guns above this size should enter into an agreement to get rid of them by stages, e.g., to destroy guns above 350 mm. in the first year; to bring the maximum down to 220 mm. by the fourth year and to get down to the common level of 155 mm. in the seventh year of the convention. It seemed to us that since Germany was leaving the highly armed Powers to agree amongst themselves during the lifetime of the first convention what should be done with these immense weapons of war, we should earnestly work for these reductions, if only for the reason that otherwise Germany would certainly claim such weapons for herself when the period of the first convention was over. I said that I gave this as an illustration to show why we were so anxious that proposals should really include some active disarmament.

I am, &c.,  
JOHN SIMON

#### No. 185

*Sir E. Drummond (Rome) to Sir R. Vansittart*<sup>1</sup>

*(Received January 18, 9.30 a.m.)*

*No. 21 Telegraphic [W 613/198]*

ROME, *January 17, 1934, 6.0 p.m.*

My telegram No. 19.<sup>2</sup>

I had long conversation with my French colleague this morning who tells me that four or five days ago, i.e. before my conversation with Signor Suvich of January 13—see my telegram No. 15<sup>3</sup>—the latter assured him that Italian

<sup>1</sup> Sir J. Simon left London on January 17 to attend the meeting of the Council of the League of Nations at Geneva. He arrived back in London on January 19.

<sup>2</sup> No. 183.

<sup>3</sup> No. 180.

Government would not put forward any proposals, at any rate until they were aware of British reaction to points they had made in conversation with you.<sup>4</sup>

Although I still believe the impression conveyed in my last telegram as to Signor Mussolini's intentions to be correct it is just possible that refusal of Italian Government to take any engagement beyond Saturday<sup>5</sup> is a method of putting pressure on us to expedite our answer to their suggestions.

My French colleague is greatly disturbed at possibility of calamitous<sup>6</sup> public declaration by Signor Mussolini at present juncture, since he feels certain it would be in favour of *status quo* for highly armed Powers and involve a considerable rearmament of Germany. He told me that Signor Mussolini in conversation with him has categorically stated that France *ought not* to disarm ('ne doit pas'). I explained to him that Signor Mussolini had expressed his preference to you for disarmament and consequently less rearmament of Germany.

Repeated to Berlin, Paris and Geneva.

<sup>4</sup> i.e. Sir J. Simon.

<sup>5</sup> January 20.

<sup>6</sup> This word was later amended to read 'any'.

#### No. 186

*Sir W. Selby (Vienna) to Sir R. Vansittart (Received January 18, 2.50 p.m.)  
No. 6 Telegraphic [R 349/37/3]*

VIENNA, January 18, 1934, 2.0 p.m.

Political Director asked me to go to see him urgently this morning.

He showed me note which Austrian Minister Berlin had presented to German Government yesterday stating that Austrian Government has definite proof that accentuation of Nazi agitation in Austria was directly due to orders received from Germany. It was useless for German Government to protest they were not responsible. They could stop agitation if they had the will. Unless they forthwith took effective steps to meet wishes of Austrian Government latter would have no alternative except to appeal to the League.<sup>1</sup>

Political Director told me Austrian Government had ascertained from Austrian Nazi sources that orders had been received from Munich to achieve overthrow of Dollfuss and his Government before January 30, so that anniversary of Hitler's triumph in Germany might be celebrated by similar triumph in Austria.

If appeal to the League were made Political Director thought question would come up under Article 11 of the Covenant.

Austrian Government had taken this action before arrival of Signor Suvich<sup>2</sup> as they felt were they to defer it until after his visit to Vienna it might be embarrassing for Signor Suvich.

<sup>1</sup> For the text of the Austrian *aide-mémoire* see No. 201, Appendix I.

<sup>2</sup> Signor Suvich visited Vienna from January 18 to 20.

French Minister has also been informed of action taken by Austrian Government.

Repeated to Berlin.

**No. 187**

*Sir E. Phipps (Berlin) to Sir R. Vansittart (Received January 18, 8.0 p.m.)  
No. 17 Telegraphic [W 643/1/98]*

BERLIN, January 18, 1934, 7.40 p.m.

My telegram No. 16.<sup>1</sup>

I hear from Chancellor's entourage that draft replies are still with the Chancellor. Baron von Neurath asked for them back yesterday but was told that they were not ready. The reason for delay is that the Chancellor cannot make up his mind on final text as he is worried by the situation in the Saar and fears the possible effect on the French Government of his reply which might adversely affect the position here. Such moods of indecision are fairly common with Hitler.

French Ambassador still hopes for reply by tomorrow.

Repeated to Geneva and Rome.

<sup>1</sup> Not printed. This telegram of January 16 reported that Herr Hitler, who was away from Berlin, had with him the texts of the German replies to the British and French notes.

**No. 188**

*Sir E. Phipps (Berlin) to Sir J. Simon (Received January 22)  
No. 71 [C 487/20/18]*

BERLIN, January 18, 1934

His Majesty's Ambassador at Berlin presents his compliments to His Majesty's Secretary of State for Foreign Affairs and, with reference to Berlin despatch No. 37,<sup>1</sup> has the honour to transmit to him a despatch from the Military Attaché concerning the German army.

<sup>1</sup> No. 170.

ENCLOSURE IN No. 188

*Colonel Thorne to Sir E. Phipps*

No. 2

BERLIN, January 16, 1934

Sir,

I have the honour to forward some information dealing with current military topics.

1. Since my return from leave I have been trying to discover in military circles the reason which led to the retirement of General von Hammerstein from Chief of the Army Direction and the appointment of General von Fritsch in his place. Rumour had attributed the retirement mainly to Gen. von Hammerstein's political leanings to the Right and partly to the

friction which had existed between him and General von Blomberg on account of jealousies in the past. From what I heard from a member of his family, General von Hammerstein was quite content to lay aside the responsibilities of initiating a complete reorganization of the Reichsheer when by all precedents he was due to retire in nine months time.

The real reason, however, so Colonel von Reichenau assured me most confidentially yesterday, was General von Blomberg's desire to have at this important juncture a young man as Head of the army. The Reichswehr Minister, with the Chancellor's complete approval, felt that this was a moment quite apart from the material reorganization when a great effort should be made to reorient and remould the officer thought, in which in the past too much emphasis had been laid on purely scientific training and not enough on developing the individuality of the officer. 'Revolutionary ideas' in warfare were required and they could not possibly flourish unless the present mentality was changed. This could only be brought about by putting a younger man with the necessary vision and enthusiasm in control and, to consolidate this change, it was proposed to maintain him there for 6 and if necessary 10 years.

Needless to say, Colonel von Reichenau, aged 49, was their selection and the account in your despatch No. 37 of 10th January (see paragraphs 4 and 5) is almost identical with what Colonel von Reichenau told me. When the President refused to sanction this blow to the Army hierarchy, General von Blomberg submitted the name of General von Fritsch, his second candidate, who had worked with him as his Deputy Director of Military Operations a few years ago and with whom he knew Colonel von Reichenau would also work in complete harmony. General von Kleist, Commander of 2nd Cavalry Division, is supposed to have been a Nazi candidate for the appointment, but although von Kleist has the reputation of being a very good instructor and trainer, he was not considered of sufficient calibre to carry through a great reorganization.

2. Apparently the 'Umbau' of the German defence forces is to be preceded by a reorganization of the higher direction, which will come into force very shortly. General von Blomberg is to become the Commander in Chief of the whole 'Wehrmacht' of Germany with supreme command of the Army, the Navy and the Air Force (at such a time as this last emerges into the open), each under its Chief of the Staff while Colonel von Reichenau, from Chef des Ministeramts, is to become his Chief of a Combined Staff, responsible for the strategical planning and direction of all three forces. Colonel von Reichenau is to receive accelerated promotion in the near future but regards his promotion at best as a partial sop for his failure to secure the command of the 'most important arm' of the Wehrmacht. In view of his supposed revolutionary ideas, it struck me as interesting that he should still regard the land forces in that light.

3. He again admitted that the Reichsheer was already engaged in training additional young officers, and he gave as the reason that the present establishment was insufficient to enable a proper proportion to be under instruction.



4. On Sunday last<sup>1</sup> I attended a meeting of the Kyffhäuser Bund (the War Veterans Association) at which the President of the Republic was present, in addition to von Blomberg, Neurath and Röhm from the Cabinet.

The audience was composed of the old army and their relations with a sprinkling of the Reichsheer. This association in common with all other military societies has lately been incorporated by decree in the second line of the S.A. Movement and they were there to dedicate their loyalty to the new Germany. There were speeches from a retired General (the Executive Officer) and Röhm; the former was not so bad as was expected, while the latter by general consent entirely missed his opportunity. The enthusiasm which he should have fired, had to wait until a platoon or two of the Reichsheer escorted the old colours past the President before it could be given expression. Röhm's best remark was that the national disunity of the German tribes had alone prevented the dominion of German culture for many centuries; otherwise his speech, which he read with an expressionless voice, was dull and according to the very audible comments of the officers around me, Röhm cut very little ice as a Reichsminister.

5. There is an evident intention of demonstrating the unmilitary character of the S.A. and S.S., and in the few days I have been back I have been subjected to considerable propaganda to that effect. I have been given opportunities of discussing the activities of the S.A. and S.S. with senior leaders of the movement and I have been entertained by one Nazi unit and invited to several others. The social and welfare aspects of the movement were put much in the foreground and I have no doubt that they do occupy a considerable portion of their thoughts.

I think that there is a distinct tendency of the S.A. to curtail the military side of their training at present and to rely more on attachment of their members to the Reichsheer and Police to provide this deficiency; perhaps the inclemency of the weather is also partly responsible. The substitution of the dirk for the bayonet previously carried by the S.A. is another effort to demonstrate their unmilitary character. It was interesting however to overhear on Sunday last a Reichsheer officer remark as Röhm walked up to the rostrum with his hand on his dirk that it would not be long before he exchanged it for a sword.

6. There are apparently two serious difficulties in the Nazi movement at present. Although the Stahlhelm have officially been absorbed into the S.A. formations, the mutual antipathy has in no way been lessened. Secondly, Göring's determination to maintain the unity of Prussia has interfered seriously with the plan of appointing Himmler, the Reichsführer of the S.S., to command the whole police force of the Reich. This was to be done to enable him to coordinate the work of the S.S. and the Police in the Grenzschutz.

I have, &c.,

ANDREW THORNE,

Colonel, G. S., *Military Attaché*.

<sup>1</sup> January 14.

No. 189

*Sir E. Phipps (Berlin) to Sir J. Simon (Received January 20, 9.30 a.m.)*

*No. 23 Telegraphic [W 698/1/98]*

BERLIN, January 19, 1934, 7.22 p.m.

My telegram No. 21.<sup>1</sup>

French Ambassador after receipt of German reply shares the Chancellor's pessimism. He pointed out to M. Massigli by telephone to Geneva in my presence that that reply shows that complete difference continues to exist on two essential points namely effectives and weapons not to mention many other matters.

Chancellor made to me this afternoon a rather naive bid for Anglo-German friendship by indicating how pleased he would be to see British air force at least as strong as French in order to break 'French hegemony' (see in this connexion paragraph 4 of my despatch 1217<sup>2</sup> of December 5).

Repeated to Geneva and Rome.

<sup>1</sup> No. 190. These telegrams were despatched out of order.

<sup>2</sup> No. 99.

No. 190

*Sir E. Phipps (Berlin) to Sir J. Simon (Received January 19, 8.0 p.m.)*

*No. 21 Telegraphic [W 694/1/98]*

BERLIN, January 19, 1934, 7.40 p.m.

My immediately preceding telegram.<sup>1</sup>

I asked Chancellor what hopes he had regarding disarmament negotiations and he replied 'very little'. He recapitulated arguments he had already used to show why he disbelieves in *disarmament*; for instance unwillingness of Russia and Japan to disarm and inability of the present weak French Government to do so. The Chancellor seemed particularly concerned about M. Chautemps' speech in the Senate yesterday which he declared afforded little ground for hope. My arguments that this speech was chiefly for internal consumption failed to shake the Chancellor. He went so far as to describe as 'insanity' the holding of any further disarmament conference until the autumn at earliest.

Repeated to Geneva and Rome.

<sup>1</sup> Not printed. In this telegram of January 19 Sir E. Phipps reported a conversation with Herr Hitler on financial questions.

No. 191

*Sir E. Phipps (Berlin) to Sir J. Simon (Received January 19, 9.0 p.m.)*

*No. 24 Telegraphic: by telephone [W 695/1/98]*

BERLIN, January 19, 1934

Following is translation of German reply to my note of December 20.<sup>1</sup>

The German Government would like to make the following observations in regard to the specific statements and questions contained in the note of His Excellency the British Ambassador of December 20 last to the Chancellor.

To 1 (a) and (b): The non-aggression pact which the German Government is prepared to conclude would, in accordance with the type of treaty which has in practice during the last years evolved for such pacts, provide that the contracting States would renounce any aggression against one another and that they would employ only peaceful means of settling disputes of every kind.

To 2: As regards the readiness of Germany to conclude pacts of non-aggression with her limitrophe States the question as to whether and how far the fact that the Rhine pact of Locarno already exists should be given special consideration is a juristic and technical point which can be left over for later negotiations.

To 3: The British Government adopts the attitude that the English Draft Convention which since March of last year formed the basis of the discussions of the Disarmament Conference was never abandoned. In reply the German Government can only once more call attention to the fact that for them the proposals put forward on October 14 last by the British Secretary of State for Foreign Affairs on the basis of preliminary conversations with other Powers represented for practical purposes in [*sic*] a new solution which precisely in those points which particularly affected Germany sacrifices the fundamentals of the British Draft Convention.

To 4: The German Government note the fact that British Government does not contest the right of Germany to equality in the matter of her security. They can however only express their surprise that the British Government will not recognise that Germany is the only State which has carried out the obligation to disarm laid down in the Treaty of Versailles and that the other Powers are not ready for disarmament. The German Government must hold to their opinion that Germany is the only State which has in fact carried out the obligation to disarm laid down in the peace treaty of Versailles. The reduction of armed forces of the other contracting States from the war and occupation strength to peace strength cannot be regarded as disarmament and so taken into account since this reduction constitutes only a completely normal measure after the conclusion of a war. The army strength of the States neighbouring Germany has since the recognition of German disarmament by Marshal Foch in the Army Committee of January 31, 1927, developed as follows according to the data given in the Military Year Book of the League of Nations:

<sup>1</sup> See No. 140.

*Totals including Air Force*

	1927	1931
France	614,158 <sup>a</sup>	693,398
Poland	263,405	273,899
Czechoslovakia	127,012	145,270
Belgium	82,800	89,224

*Totals excluding Air Force*

France	651,320
Poland	265,980
Czechoslovakia	138,788
Belgium	86,384

From these figures it is established that the disarmament of Germany which has been accomplished has not brought with it a similar disarmament of the neighbouring States and that also after the carrying through of the French army reforms of 1928 no reduction was made in effectives. Apart from effectives regard must be paid to the vast increase in material especially aircraft as well as heavy and heaviest land war material in Germany's neighbouring States, and the gigantic extension of land fortifications especially on the French east frontier must be taken into consideration.

To 5: Though His Majesty's Government take the view that the highly armed States are now ready to disarm and that they are even ready to a considerable degree to disarm on the basis of the English Draft Convention of March of last year, the German Government after all the experiences of recent years are not able to see proof of this in the mere fact that the Geneva discussions are to be resumed this month. Furthermore the latest information which the German Government have obtained from the French Government runs quite counter to the assumption of the British Government. The German Government would therefore be grateful to His Majesty's Government for a concrete statement of the measure of disarmament which in their view should be carried out by the highly armed States (effectives, material, period of execution, date of commencement and statistical control of execution). The German Government for their part can only repeat that they desire nothing more urgently than the most complete and universal disarmament possible and that there is no measure of disarmament so far-reaching that Germany would not be ready to carry it through if all other States would similarly carry it through.

To 6: The number of 300,000 men corresponds with the army strength which Germany needs in view of the length etc. of her land frontiers and of the strength of her neighbours' armies. It is to be noted in this connection that soldiers with a short period of service have a far lower military value than professional soldiers such as those Germany has today. The German Government are therefore unable to see by what right this figure is looked upon as a 'most formidable increase' and that it could have a 'disastrous

<sup>a</sup> *Note in original:* 'without counting the occupation troops in the Rhineland'.

effect' on the public opinion of Europe. If such should indeed be the effect, that would only be a proof that in Europe people still use two standards of measurement and wish to contest in Germany's case that right to security which other countries regard as their unquestionable right.

The German Government still holds the view which it has always held that if it is desired to draw comparison between the strengths of the German and French armies in the case of the French army the section of the overseas troops amounting to approximately 70,000 men which is always in France as well as those overseas troops who are in northern Africa and who can at any time be made use of at short notice on the European continent must be taken into consideration.

To 7: As regards defensive weapons the Chancellor declared verbally in his interview with the British Ambassador on October 24 that in addition to guns up to 15 centimetres calibre we consider that tanks up to 6 tons and aircraft are also necessary for the defence of the country; Germany however demands no bombing aeroplanes provided that a general prohibition of bombing and of poisonous gas is introduced. In so far as the quantities of weapons are concerned the 'normal armaments for a modern defensive army' demanded by Germany depend on the equipment which exists in other countries.

To 8: The Reichswehr would be absorbed in the new army. It is of course understood that the limitations on the peace time organisation of the army which are contained in the Treaty of Versailles must disappear in the future with Part V of this treaty.

To 9: The proof of the non-military character of the S.A. and S.S. which the German Government is ready to furnish through the medium of control would also extend to the labour service.

In addition the German Government would add to the foregoing remarks that the German proposals which are under discussion are to be regarded as a whole the different parts of which are complementary. Further the German Government are anxious to emphasise that having now repeatedly and frankly stated their views on the disarmament question, a continuation of the discussions can only have a prospect of success if the other Governments will now also state how they on their side consider that the problem should be handled in its complete details.<sup>3</sup>

<sup>3</sup> This telegram was repeated to Rome and Paris by the Foreign Office on January 20.

## No. 192

*United Kingdom Delegate (Geneva) to Foreign Office (Received January 22)*

*No. 21 [C 454/74/18]*

GENEVA, January 19, 1934

The United Kingdom delegate to the League of Nations presents his compliments, and has the honour to transmit the record of a conversation between the Secretary of State for Foreign Affairs and Baron Aloisi on the Saar and disarmament questions.

*Memorandum*GENEVA, *January 19, 1934*

Baron Aloisi called on Sir John Simon this morning. Mr. Eden and Mr. Strang were present.

Baron Aloisi first spoke of the Saar question, in regard to which he is *rapporteur*. He explained the difficulty he was having in arranging the composition of the Council Committee, which it is proposed should be charged with the duty of recommending to the Council next May the measures to be taken for the organisation of the plebiscite. The position, roughly, was that he had suggested Italy, the Argentine and Australia as members of the committee. He was particularly anxious that the Argentine should serve, as the Argentine representative would be the Ambassador in Rome. The French, however, insisted upon the inclusion of the representatives of two European States. For this reason he would find it necessary, to his regret, to exclude Australia. The problem, therefore, was to find another European member. The French apparently wanted Spain. The objection he saw to Spain was that she might eventually furnish troops for policing the territory, and that it would be improper in that event that Spain should be represented on the Council Committee. A possible alternative to Spain was Portugal, and this, he thought, might be agreeable to His Majesty's Government in view of the ancient alliance between the two countries.

Sir John Simon and Mr. Eden thought that the important point was that the committee should be as strong as possible and that its composition should be such as to create confidence in the public mind.

Mr. Bruce, having been Prime Minister in his own country and being a man of experience and strong personality, would have been admirably suited for membership of this committee. But we did not wish to express a strong opinion one way or the other, and only desired to be as helpful as possible to Baron Aloisi. It was important, however, that the French should be satisfied with any proposal that the *rapporteur* might put before the Council.

Baron Aloisi then turned to the question of disarmament. He said he had seen M. Paul-Boncour the day before and had found him in a state of doubt as to what policy to pursue. M. Paul-Boncour seemed, in fact, rather inclined to think that the only possible course was to return to the proposals of October. M. Paul-Boncour had told him that he had not yet received the German reply to the French memorandum on disarmament, but that he could foresee its contents. It would be conciliatory in tone, but would confine itself to asking questions. Baron Aloisi thereupon suggested to M. Paul-Boncour that, in that event, the present bilateral exchanges could not lead to any concrete result within any short space of time, though they had certainly served a useful purpose. Would it not be advisable for the French Government, after they had received the German reply, to invite the Germans to send representatives to Paris to discuss the disarmament question, and to

invite the British and Italian Governments to send representatives also? These representatives would not be heads of Governments or Ministers for Foreign Affairs. Mr. Eden, for example, might go, and Baron Aloisi himself. The object of such a meeting would be to carry matters one stage further towards the final objective, namely, the return to Geneva to negotiate a convention. M. Paul-Boncour had said that Baron Aloisi's idea was interesting and that he would reflect upon it.

In explaining this proposal to Sir John Simon, Baron Aloisi said that it was his own personal idea and that he had submitted it to Signor Mussolini by telegram earlier in the day and would probably telephone to him in the evening to discover his reactions. He explained that, although the Four-Power Pact was not yet in force, it was, as a matter of fact, functioning, in that bilateral conversations were taking place between the four Powers. The meeting he had suggested would also be in the spirit of the pact, although it would not, of course, be called under the pact.

Mr. Eden asked whether M. Paul-Boncour had said anything about Poland in connexion with the proposed meeting.

Baron Aloisi said that he had not.

Mr. Eden said that the question of the Little Entente might also cause some difficulty.

Baron Aloisi said that there would be no objection, in case of necessity, to calling in other Powers at a later stage.

Sir John Simon asked whether Baron Aloisi thought that the Germans would accept such an invitation.

Baron Aloisi said he thought it possible that they might.

Sir John Simon said that the proposal that Paris should be the place for such a meeting was a wise one, as it would make acceptance much easier for the French. It would also be easy for them in Paris to maintain contact with the representatives of the Little Entente. So far as His Majesty's Government were concerned, he was able to say that, if the French Government were to invite the Germans to attend in Paris such a meeting as Baron Aloisi had in mind, His Majesty's Government would be willing to send a representative.

Sir John Simon asked Baron Aloisi whether Mr. Henderson had consulted him on the question of the date of the next meeting of the Bureau of the Disarmament Conference.

Baron Aloisi said that he had not, but that the view of the Italian Government was that Mr. Henderson would be well advised to postpone any decision on this point for the moment, and to reserve his right to fix a date on a later occasion.

No. 193

*Sir E. Phipps (Berlin) to Sir J. Simon (Received January 22)*

*No. 82 [W 760/1/98]*

BERLIN, *January 20, 1934*

His Majesty's Ambassador at Berlin presents his compliments to H.M. Secretary of State for Foreign Affairs, and, with reference to Berlin telegram No. 26<sup>1</sup> of January 19, has the honour to transmit to him a copy of the original text<sup>2</sup> and translation of the memorandum communicated by Herr Hitler to the French Ambassador at Berlin on January 19, 1934.

<sup>1</sup> Not printed. This telegram summarized the German memorandum printed in translation as an enclosure in this despatch.

<sup>2</sup> Not printed.

ENCLOSURE IN NO. 193

*Memorandum*<sup>1</sup>

(Translation)

BERLIN, *January 19, 1934*

The German Government have perused the *aide-mémoire* communicated to them on the 1st January by the French Ambassador, with great interest. They welcome the fact that the French Government have accepted the suggestion for direct diplomatic negotiations on the problems pending between the two countries, and that on the most important and acute question, namely, the disarmament question, they have set out their attitude to the declarations of the German Government as well as the points which they themselves wish to make during the further discussion of this question. The German Government have examined the French *aide-mémoire* in a spirit of detachment and from the determining standpoint whether and if so what possibilities exist for the fulfilment of the idea of general disarmament. They wish to communicate the result of their examination to the French Government in all frankness because they think that this is the only way to avoid misunderstandings and to promote the understanding desired by both sides.

I

Before the German Government deal with the criticism of the German disarmament proposal contained in the French *aide-mémoire*, they would like to express their views regarding the plan which the French Government submit as a counter-proposal. If the German Government have correctly understood this plan it would in substance amount to the following:—

The French Government would divide the period of validity of the disarmament convention which is to be concluded into two phases. During the first phase, the length of which is not definitely stated, but which would at all events encompass a period of several years, France would gradually reduce the effectives of her army. This reduction would synchronise with the

<sup>1</sup> This memorandum was published in Berlin on February 3. A translation (with slight verbal differences from the above) is printed in Cmd. 4512 of 1934.



transformation of the German Reichswehr, until ultimately numerical equality between the effectives of the German army and the French home forces was reached. Whether France contemplates any limits in this connexion on her oversea troops is not stated in the *aide-mémoire*. The existing French war material on land would be maintained undiminished during the first phase. On the other hand, France would refrain from manufacturing new material which exceed in calibre or tonnage the maxima fixed by the convention. As regards military aeroplanes France would be prepared during the first phase to reduce the machines at present in service by 50 per cent., on condition that the other large air fleets underwent a similar reduction, and that effective control of civil aviation and aeroplane manufacture were introduced.

In the second phase of the convention, i.e., after several years, the gradual abolition of war material which exceeded the accepted calibre and tonnage limits would be taken in hand. Furthermore, the countries disarmed by the peace treaties would be allowed to equip themselves gradually with the types of arms approved by the convention. The details of the measures concerning war material to be executed during the second phase would be laid down in advance in the convention. Above all the experiences gathered during the first phase with the control procedure to be introduced would be taken into consideration (during the second phase).

The French Government are of opinion that such a programme offers the best prospects of giving effect to universal, substantial and progressive disarmament and of emancipating the world from its heavy burden in the interests of peace and economic reconstruction. In order to get a clear picture, it will be necessary to realise in concrete fashion the position which would result were a convention to be established on the basis of the French plan. What would that position be?

In the important domain of war material disarmament would be postponed by several years. During that time the highly-armed States would retain the whole of their heavy land material undiminished, even in so far as it came into consideration for purposes of aggression. One must ask whether from the standpoint of general security it matters much whether the highly-armed States refrain from the manufacture of new heavy weapons of attack during this period? Germany would remain tied to the completely inadequate types of weapons set out in the Treaty of Versailles, and would at the same time have to proceed with the transformation of the Reichswehr during this period. How could the transformation of an army be executed in practice if the necessary material for doing so were not provided in advance? How can Germany's security be at all safeguarded during such a transformation of the Reichswehr?

To come to effectives. The adoption of a uniform type of army would depend on the acceptance by other States of the type contemplated. Furthermore, the value of the reduction in effectives conceded by France during the first period can only be assessed if we know what is to happen with the French oversea forces. The French system of land defence has been based for some

time to an important extent on the utilisation of African troops in the home country. Consequently, a considerable portion of the French African forces are kept permanently in France. Furthermore, if the German Government are rightly informed, all the necessary measures of organisation have been taken to bring the troops in Africa across to France at short notice. Must one not assume that the reduction of the home forces can always be made good by bringing overseas troops to the home country unless the latter are included in the effectives to be reduced?

As regards air forces, one must consider whether the important principle of bringing all the great air fleets to a uniform level would not be abandoned if the method of reduction set out in the French *aide-mémoire* were adopted. But apart from that the question arises whether, during the first, and for that matter the second, phase of the convention, Germany is to remain deprived of any kind of military air force. If this question is to be answered in the affirmative, then the reduction of the air forces of the other States proposed in the French plan would practically make no alteration in the position of radical inequality and complete defencelessness of Germany in the air. The German Government are unable to see how this impossible position would be alleviated by the proposal to do away altogether with military aircraft at some indeterminate date in the future.

The arrangement contemplated in the *aide-mémoire* for the second phase would raise another important question. Are we to understand the remarks on control to mean that the whole régime during the second phase would be made to depend on the experience gathered during the first phase? Were that the intention, then the execution of general disarmament would also be attended during the second phase with a dangerous uncertainty factor. Control is to be applied, in principle, to all States uniformly. It is, however, obvious that the precondition for parity in the matter of control would not be present if this control, as a result of the radical difference in the degree of limitation, were to work out in actual practice quite differently in the countries already disarmed by the peace treaties as compared with other countries. Would it not, inasmuch as it would have a much wider field of application in the countries already disarmed, lead much more easily to differences, no matter how loyally the treaty were fulfilled, than it would in other countries, differences which could then be used to delay the second phase still further.

Even if one could get rid of this danger, the decisive question remains for Germany whether the discrimination in her case is to be prolonged for a further series of years. Can the other Powers produce any valid reason for a plan so inconsonant with the honour and security of Germany? The German Government are absolutely convinced that they cannot. The assertion in the *aide-mémoire* that, according to the declaration of the 11th December, 1932, Germany's equality in regard to material is dependent on the previous execution of the transformation of the Reichswehr is borne out neither by that declaration nor by any other agreements, nor by the facts. In addition to the foregoing general points of view, many points of detail in

the French proposals need clarification. Some of these questions are set out in the attached questionnaire and the German Government would be thankful for replies to them.

## II

When the main points and consequences of the French plan are set out as in the foregoing, grave doubts arise as to whether a settlement of the disarmament problem, which is really fair or which would serve to secure peace, can be found along these lines. When everything is taken into consideration, the position seems to the German Government in much the same light today as a few months ago, when, as a result of the complete breakdown, she saw herself forced to leave the League and the Disarmament Conference and decided to make a new offer. The German Government deeply regret that the French Government have not appreciated the genesis of that offer in their remarks in the *aide-mémoire*. It was not because they are abandoning the idea of disarmament and therefore wish to promote the rearmament of Germany that the German Government made their proposal. They must emphasise again that there is nothing which Germany desires so urgently as universal disarmament to the utmost possible degree. The German Government would still regard it as the best solution were all countries to reduce their armaments to the extent contemplated by the Treaty of Versailles. That would be the simplest solution of the question of German equality. At all events, there is no measure in the domain of quantitative or qualitative disarmament, no matter how far-reaching, which Germany would not be ready to accept at once if it would be carried out in the same way by all the other States. This unambiguous declaration, so often repeated, entitles the German Government to refute the allegation that the real aim of their policy is the rearmament of Germany, with all possible emphasis.

If the proposal of the German Government aimed at seeking a first and rapid settlement on the basis of a limitation of the armaments of the highly armed States at the present level of their armaments, this was only because, in their opinion, the passage of almost eight years' continuous negotiations has clearly shown that the highly armed Powers chiefly concerned are not at present, for one reason or another, ready for a really trenchant disarmament. Even in the *aide-mémoire* of the 1st January such a disarmament is not envisaged. It is, however, naturally, not the intention of the German proposal to put on one side those individual measures of disarmament on which an immediate agreement appears possible. On the contrary, the German Government want nothing more than that far-reaching limitations of armaments should be laid down in the settlement which they propose. As, however, the German Government understand the position today, these limitations will in no way reach an extent that will result in an immediate grant to Germany of equality of rights in accordance with the declaration of the 11th December, 1932. If one faces this reality, there is no other way out, in order to reach an early settlement by treaty, than to lay down the measures of disarmament on which agreement is possible at the present moment, to

limit the armaments of the highly armed States for the period of the first convention to their present level and to arrive at Germany's equality of rights by a certain adjustment of her armaments to the level of armaments in other countries. This proposal aims, therefore, at nothing else than drawing the consequences from a position which exists, but through no fault of Germany's. It cannot be proposed that Germany shall take upon herself alone the consequences of this position by remaining subjected for years to unilateral limitations of armaments which are not applicable to other States and which have no relation to the level of armaments in those States.

It is, moreover, impossible to see how the execution of the German proposal could entail an armaments race. It would be for Germany only a question of creating a defensive army which could not in the remotest degree constitute a threat to any other country. In addition, the German proposal specifically provides that for all States a fixed armaments limit should be laid down by treaty, by which means the possibility of an armaments race would from the outset be excluded.

Even less can the German Government recognise the objection that the figure of 300,000 men is too high for the German defensive army. This figure represents, in regard to the geographical circumstances, particularly in regard to the length and nature of the German frontier, the minimum which Germany in present circumstances requires for her security. This becomes particularly clear when one compares this figure with the armaments of the highly armed States neighbouring Germany, of which, besides France, the States allied to her—Poland, Czechoslovakia and Belgium—must chiefly be taken into consideration. In this connexion it must be remembered that all these countries have at their disposal not only very great active armies, but also powerful masses of trained reserves, because since the end of the war, on the ground of the universal military service in force in those countries, they have given training in the army to the whole of the youth which is fit for military service. These reserves, who have behind them a completed military training in the army, who moreover are obliged to take part in exercises and to serve in war, whose names are listed and recorded, and who in part may be called to the colours without mobilisation, run to about 5 million in France alone.

Germany has no comparable factor to set off against the trained reserves of other countries. In particular, it is impossible to put the political organisations existing in Germany on the same footing as the military reserves of other countries. It has already been repeatedly explained to the French Ambassador that the S.A. and S.S. formations have no military character. In addition, the German Government has already declared itself ready to submit the non-military character of the formations in question to the proposed international control, in so far as other countries undertake a like obligation in regard to their similar organisations. By this means any danger that Germany should exceed the treaty strength of her army indirectly by means of the political organisations would be effectively prevented.

As regards the question of the police, it should not be difficult to reach an

understanding. In the view of the German Government the number and density of the population, as well as the particular circumstances of individual States (number of large towns, social conditions, &c.), should be taken into account.

Finally, in considering the figure of 300,000, account should also be taken of the fact that it would be a question of soldiers with a short period of service, whereas the Reichswehr is composed of professional soldiers with twelve years' service. The French Government themselves have always expressed the opinion in the Geneva negotiations that the military value of short-service soldiers is to be regarded as considerably less than that of professional soldiers. From this point of view also it would be an erroneous view to regard the figure of 300,000 men as a substantial increase in the present defensive strength of Germany.

As regards the objections made in the *aide-mémoire* to the equipment of the future German army with weapons of defence, which is held by the German Government to be necessary, it has already been stated above that the transformation of the Reichswehr into an army of short service cannot be accomplished, in practice, unless this army is given the necessary weapons simultaneously with the transformation. If it was proposed first of all to transform the Reichswehr and only in a later period to arm it with the defensive weapons to be specified in the convention, not only would the gravest difficulties of organisation be created, but the result would above all be that the army would during the first years be in no way capable of fulfilling its task of defending the country.

Finally, as regards details of the scheme of control to be set up in the convention, it is here a matter of technical questions, regarding which it will not be difficult to reach agreement as soon as the main material points of the disarmament problem are cleared up. On the assumption that complete parity were to be established, it would, in the opinion of the German Government, be only natural that the control should begin to function simultaneously with the entry into force of the convention.

### III

The foregoing remarks show that the principal points in which the views of the two Governments on the disarmament problem still differ are the question of the reckoning of the strength of the personnel and the question of the date of the equipment of the future German army with defensive weapons. In both questions, however, in the opinion of the German Government, the required solution will present itself automatically, provided that the technical, legal and moral points of view which enter into the question are impartially examined. The French Government cannot fail to recognise that that which the German Government feel bound to demand in this connexion remains far less than that which Germany would have to be granted if equality of rights were really completely applied. Even if the future German Army, with its short period of service, is 300,000 men strong, and even if it obtains the necessary defensive weapons simultaneously with the transformation of

the Reichswehr into the new type of army, France and the other highly armed States will maintain a very great advantage in the realm of armaments. In these circumstances, the refusal of the German demands could only mean a refusal really to recognise Germany's equality of rights. The German Government therefore hopes that, if the French Government again takes into consideration all the factors influencing the problem, they will not definitely exclude the German point of view, and that they will thus find the way to the agreement which is so urgently desired by Germany.

The German Government naturally shares the opinion that the disarmament problem cannot be solved by negotiation between Germany and France alone, and that negotiations with all States concerned are necessary. These general negotiations will, however, be considerably facilitated by an agreement between Germany and France on the principal questions, for such an agreement constitutes one of the most important conditions for the conclusion of the disarmament convention.

The proof that Germany is ready for international co-operation and an indication of the manner in which she is prepared to co-operate can be seen in her offer to conclude pacts of non-aggression. The external form in which such co-operation can best be realised in future is, in the view of the German Government, a question which should be reserved for future consideration. The pressing need of the minute is the settlement of the disarmament question, a successful issue to which would make free the way for the solution of the other political problems which are standing open.

#### ANNEX

1. To what maximum strengths will the total French effectives at home and overseas be reduced?
2. In what manner will France's overseas troops and her trained reserves be reckoned under the settlement proposed in the French *aide-mémoire*?
3. Is France ready to undertake neither to station nor to make use of overseas troops in times of war and of peace in the metropolitan territory, if the transformation of the armies into defensive armies with short service is not made applicable to the overseas forces stationed both at home and overseas?
4. What will happen to the guns of the movable land artillery which exceed a calibre of 15 cm.? Will they be destroyed? Will the continued training in the use of these guns be permitted?
5. What maximum tonnage will be proposed for tanks, and what will happen to the tanks which exceed this maximum?
6. Does the French Government contemplate a limitation by numbers of separate categories of weapons for all countries, a limitation which would include stocks? What are these categories of weapons?
7. With what material will those French troops be equipped which are not subjected to the standardisation of armies?
8. Within what period would the 50 per cent. reduction of the aircraft in service be carried through? Will the elimination of the aircraft which are to be done away with be accomplished by destruction or in what other way?

9. To what will the control of civil aviation and of aircraft production apply, which, according to the French proposal, is to be the pre-condition for the reduction of the military aircraft in active service?

10. Will a definite term be fixed in the convention for the general abolition of military aviation, and, if so, what term?

11. Shall the prohibition of bombing, which the French Government is ready to accept, be general and absolute or to what practical limitations shall it be subjected?

12. Are the remarks in the *aide-mémoire* regarding the control of war material to be understood to mean that France is only ready to accept for herself the control of manufacture and of import, or will this control extend to stocks of material which are in service and in store?

13. What is the position of the French Government as regards naval armaments?

#### No. 194

*Sir W. Selby (Vienna) to Sir J. Simon (Received January 20, 6.0 p.m.)*

*No. 9 Telegraphic [R 388/37/3]*

VIENNA, January 20, 1934, 4.35 p.m.

Signor Suvich received me at his hotel this morning.

I told Suvich that I was sure His Majesty's Government would be interested to know anything he might like to tell me, and information as to objects of his visit and as to his impressions of the situation here.

Suvich said he was very glad to have the opportunity of doing so.

His visit was one purely of courtesy in return for visits paid by Dollfuss to Signor Mussolini. It was intended to remove misgivings created quite wrongly in Austrian circles by visit he had paid to Berlin. He had not come to Vienna to transact any specific business. So far as the situation here was concerned it might be regarded from two points of view, political and economic. The former was at the moment the more urgent of the two, Suvich observing that he had been accompanied everywhere by strong bodies of police as if a state of siege prevailed.

So far as Italy was concerned, Italy had up till recently rather felt that the burden of defending the independence of Austria had been thrown on to her shoulders. It had seemed to Italy that France had seen no more in the issues raised by Austria than one calculated to separate Italy from Germany. As regards His Majesty's Government Suvich referred to a communication made about a year ago to Signor Mussolini by Sir R. Graham to the effect that while they supported Austrian independence in theory they did not consider the position could 'hold' against Germany. The impression made on Italian Government by this earlier communication had been certainly entirely removed by your assurance to Signor Mussolini in the course of your visit to Rome that His Majesty's Government regarded the independence of Austria as a vital aim of British policy. What had at one moment surprised

the Italian Government was the attitude of M. Benes who, I understood Suvich to say, had affirmed that if Anschluss were effected Czechoslovakia would make her terms with Germany. Suvich asked how Czechoslovakian independence could be maintained if Germany (? thwarted)<sup>1</sup> her (? at)<sup>1</sup> Vienna.

Suvich said that Mussolini regarded the maintenance of Austrian independence as vital for Italy and intended to go to the uttermost limit of his capacity to defend it. Suvich observed that that independence would in the view of Italy be threatened whether Hitler succeeded in directly establishing his authority over Vienna or, through the pressure he was exercising, brought into power Austrian Nazi administration. Suvich regarded the present political system as out of date. It must be 'renovated' and a new basis found.

So far as economic situation was concerned, Suvich considered it should be met by providing Austria with assurances of the kind she possessed before the war. Italy had done everything in her power to consolidate the position in Austria by extending trade with Austria, endeavouring to find a port of outlet, railway rebates and other measures. It was Signor Mussolini's intention to make yet further efforts in this sense despite the sacrifice it would entail for Italy.

I thanked Suvich warmly for having received me and told him I thought his views would be of great interest to His Majesty's Government and that I would carefully report them.

Repeated to Berlin, Paris and Rome.

<sup>1</sup> The text is here uncertain.

## No. 195

*Sir E. Phipps (Berlin) to Sir J. Simon (Received January 23)*

*No. 15 Saving: Telegraphic [W 786/1/98]*

BERLIN, January 22, 1934

Sir R. Vansittart's telegram No. 8<sup>1</sup> of January 18.

My telegram No. 17<sup>2</sup> of the same date crossed the above and will, I think, have answered it in part. Replies to other questions will be found in my despatch No. 40<sup>3</sup> of January 11.

The main trend of German foreign policy with reference to disarmament at present is a firm intention to rearm. To meet this I can only see two courses to pursue:—

- (1) Sanctions, or
- (2) the conclusion of a Convention with Germany, granting her limited, gradual and controlled rearmament.

<sup>1</sup> Not printed. This telegram asked for information regarding the delay in the German answers to the British and French notes of December 20 and January 1; and also for a despatch on the trend of German foreign policy.

<sup>2</sup> No. 187.

<sup>3</sup> Not printed. This despatch contained Sir E. Phipps's Annual Report for 1933.



Either of these courses, to be successful, implies a united front against undue German pretensions. The Germans must, in fact, be made to fear that their failure to be reasonable over (2) will find them confronted with (1). At present this fear is non-existent, for they bank on our all too palpable differences and inertia. Instead, they have a mitigated fear (diminishing as time goes on) of a possible attack by France and perhaps one or two of her minor satellites. Meanwhile, rearmament proceeds, until the time arrives, as the Italian Ambassador remarked to me yesterday, when the military aeroplanes are produced and flown openly.

A few weeks ago the Führer, it seems, breathed defiance to Signor Cerruti, and said that if the French challenged him he would meet them, losing if necessary 600,000 men; but inflicting still greater damage on them. To me he once murmured softly that in case of French aggression he would show no resistance and would appeal to the world. I cannot tell which course he would really follow; that would presumably depend, amongst other things, on the internal situation.

It is here, I think, that certain French circles, encouraged by M. Benes and unreliable and prejudiced German émigrés, make a big mistake. They hope, it seems, that the Hitler régime is tottering to its fall, and that time is therefore working for them, whereas time, in my opinion, is rather working for Hitler, or some military successor; for his fall would not necessarily imply the emergence of a benevolent, carpet-slipper régime, redolent of Weimar: far more probably its perfume would be of powder, and not the innocuous kind.

Nor do I see anything to show that Hitler will fall in the near future, despite his many real difficulties with his own extremists, with the Catholic and Protestant Churches, with the economic and financial situation, and other matters. His adversaries in fact, both at home and abroad, lack that unity and determined policy which alone might enable them to meet him with a fair chance of success. Hence it is that he rules supreme at home, and flouts, not only in succession but simultaneously, all his powerful foreign opponents in the political, economic and financial fields: hence it is that he will in all probability continue the rearmament of Germany until his security is such that he can afford to display openly what now he still condescends to conceal.

## No. 196

*Letter from Mr. Sargent to Mr. Campbell (Paris)*

[C 275/20/18]

FOREIGN OFFICE, *January 22, 1934*

We have read with interest the last paragraph of Paris despatch No. 52<sup>1</sup> of 10th January, reporting Léger's remark that if the League could not stand the strain (of the exercise of French rights under Article 213) it had better

<sup>1</sup> No. 171.

shut up shop at once. 'A League which dared not function would be worse than no League at all.'

I do not think this is at all the view we take here. As you know very well, we have never believed very strongly in the League as a policeman. What we looked for in the League was rather the machinery which should enable the Governments of the world, by frank discussion, to devise before it was too late, some peaceful means of settling every dispute in which in most cases there is a good deal of right on either side and in which in any case butchery settles nothing.

We do not pretend that this machinery has yet been perfected: but we are resolved to continue our attempt to perfect it; and we are far from being ready to concede that all the work of the last fifteen years should be lightly thrown aside.

Our feeling is that, if the French, neglecting the realities of the situation, do subject the League to the strain of a demand for an enquiry under Article 213, that is the very way to break it up altogether, and incidentally to bring about in the process a direct conflict between our two countries. On this particular point you may be interested to see the enclosed memorandum<sup>2</sup> which has been prepared for the Secretary of State.

At the moment our view is that caution and time is above all what is required as regards the League and that it is certainly not the moment to attempt again to use it as a policeman by invoking it in virtue of Article 213.

So far as we can see here, there would be every advantage in your giving expression—as your own—to views of this kind in Paris when you have a suitable opportunity.

ORME SARGENT

<sup>2</sup> Not printed. This memorandum was an earlier draft of No. 264.

### No. 197

*Sir J. Simon to Sir E. Drummond (Rome)*

*No. 32 Telegraphic [R 388/37/3]*

FOREIGN OFFICE, *January 23, 1934, 7.0 p.m.*

Vienna telegram No. 9.<sup>1</sup>

I am at a loss to understand statement attributed to Sir R. Graham in fifth paragraph. I cannot find that instructions to make it were ever given from here and Sir R. Graham who has been consulted denies that he used language of the nature attributed to him. He may well have made a personal prophecy that the odds would turn out to be in Germany's favour, but what is apparently attributed to him is not merely this but a statement intended to convey and understood as conveying that we did not think active steps in support of Austria were really worth while. This the Italian Government must surely know is quite contrary to fact. Our invitation to the Italian

<sup>1</sup> No. 194.

Government in July to join in representations to Germany is evidence of this (see my telegram No. 183<sup>2</sup>).

I shall be glad if you can clear this point up with Signor Suvich.

I am glad to learn from sixth paragraph that Italian Government will do everything possible to maintain independence of Austria; but can you ascertain urgently what exactly is meant by 'renovation of political system' and 'providing Austria with assurances possessed before the war'.

In reply to reproach that we have left burden of defending Austria on Italian shoulders you might remind Italian Government that His Majesty's Government last year took the initiative in obtaining agreement for a further guaranteed loan for Austria and we guaranteed loan producing 100 million Austrian gold shillings for Austria at 3 per cent. compared with Italian guarantee for loan producing 30 million at 5 per cent.

Repeated to Vienna.

<sup>2</sup> See Volume V of this Series, No. 271.

## No. 198

*Mr. Campbell (Paris) to Sir J. Simon (Received January 24)*

*No. 21 Saving: Telegraphic [W 817/1/98]*

PARIS, January 23, 1934

I asked Secretary-General of Ministry of Foreign Affairs this afternoon whether the French Government had yet had time to form an opinion of the German reply to the French counter-proposals. He replied that not only had Ministers been unable in present circumstances to give the matter more than the most cursory attention but the Ministry of Foreign Affairs itself had not yet formulated their considered views. There were however three salient points which would occur to anyone at once on a first reading of the reply. They were:

(i) That the reply, though courteously worded, was an out-and-out rejection of the French proposals; and, that notwithstanding that fact, the German Government had, very clumsily, attached a long questionnaire relating to the French proposals. What significance should be attached to that contradiction?

(ii) The reply evaded the question put to the German Government about the exact scope and nature of the pacts of non-aggression offered to Germany's neighbours. It was particularly unsatisfactory on the point relating to the Treaties of Locarno.

(iii) It likewise evaded the questions relating to the future of the police (Schupos) and of the pre- and para-military formations, although the French Government had made it clear that the latter point was for them a crucial one.

2. Reverting to point (i) M. Léger, speaking only personally, said it looked as though the reply had originally been drafted without the questionnaire, and as though someone, probably the German Ministry of Foreign Affairs, had subsequently added the questionnaire, notwithstanding the contradiction implied in asking questions about a plan of which the body of the

note constituted an unequivocal rejection. This clumsy, almost cynical, procedure could only have been inspired by the desire to spin out the discussions and gain time. The French Government would be unable in the face of public opinion to lend themselves to such tactics. The German reply was a definite refusal of the French plan and a suggestion for reversion to the German one. The point having thus been reached where a decision could no longer be postponed, the French Government would have shortly to make their choice between the following alternatives, (i) to take what M. Léger called 'mesures d'autorité', i.e. declared opposition to German rearmament, involving the taking of such measures as might seem most appropriate to meet the situation (such measures would depend of course in part on the attitude of Great Britain, Italy and other Powers primarily interested: their maximum expression would be military action of some kind) (ii) to admit that France was powerless to prevent Germany from rearming: this would involve cutting adrift from further collective effort and resuming liberty of action as regards the future orientation of French policy (i.e. the strengthening of existing and seeking of fresh alliances) (iii) to embark on a separate negotiation and make the best terms possible with Germany.

3. M. Léger thought that of these alternatives No. (iii) could be discarded. Though at one time it had found favour in certain quarters, he doubted whether it would retain any adherents in the light of the German reply which had further unmasked the determination to rearm, come what might. The choice between alternatives (i) and (ii) would depend on the further development of events and the attitude of France's friends.

## No. 199

*Mr. Campbell (Paris) to Sir J. Simon (Received January 24)*

*No. 23 Saving: Telegraphic [W 818/1/98]*

PARIS, January 23, 1934

My telegram No. 21 Saving.<sup>1</sup>

M. Léger told me that the French Government had positive information to the effect that the German Government intended, come what might, to have 300,000 men with the colours by April. They would add 200,000 men to the existing Reichswehr and then proceed to transform the whole into a short-service army. They intended at the same time to create a new force, disguised possibly as police, which would be recruited on a long-service basis and in effect would provide Germany over and above the national army with a professional army as efficient as the present Reichswehr. They further intended to create a force of 'Grenzschutz' for their western frontier similar to those which had never been disbanded and were actually in existence on the Polish and Czechoslovak frontiers.

2. I could not induce M. Léger to disclose the source of this somewhat highly-coloured information except to say that it was a German one.

<sup>1</sup> No. 198.

No. 200

*Mr. Campbell (Paris) to Sir J. Simon (Received January 24)*

*No. 24 Saving: Telegraphic [W 819/198]*

PARIS, January 23, 1934

My telegram No. 23 Saving.<sup>1</sup>

M. Léger, as you are aware, represents the extreme official view, but his influence is now considerable and the French Government, though they have not yet been able to consider the German reply, will not lightly reject his advice.

2. In any case I think that in the light of the German reply, which would appear to render futile any further discussion between France and Germany, the French Government (whether it be this one or its successor) will before long be compelled to make some definite and final statement of their position, taking up thus an attitude from which it would be difficult for them to retreat.

3. Situation would be altered if in the meantime any other Government came forward with fresh proposals appearing to offer some new approach to the problem. If His Majesty's Government have any such intention it would be well not to delay too long.

<sup>1</sup> No. 199.

No. 201

*Sir J. Simon to Sir W. Selby (Vienna)*

*No. 32 [R 475/37/3]*

FOREIGN OFFICE, January 23, 1934

Sir,

Herr Franckenstein called this evening to inform me that on the 17th January the Austrian Minister in Berlin communicated both verbally and in writing to the German Government the protest of Austria against the increasing Nazi agitation now going on in that country, which the Austrian Government considered could, beyond question, be traced to the National Socialist party in Germany. Herr Franckenstein handed to me the text of the *aide-mémoire*, and it is printed as Appendix I. It will be observed that it alleges that actual terrorism is being encouraged by the German Nazis, and insists that the German Government cannot disclaim responsibility or power to control what is going on, especially as not long ago Germany, in response to protests, stopped the propagandist air raids on Austria.

2. The Minister called my special attention to the warning of the Austrian Government that, unless the German Government took prompt and complete measures to stop these Nazi machinations, Austria would seriously consider making an appeal to the League of Nations. Herr Franckenstein said that the German Government had replied that they must study the

document and have time to verify the assertions it contained before they could give an answer, and up to the present no answer had been forthcoming.

3. Herr Franckenstein also handed me the résumé which is printed below as Appendix II, and which sets out a series of very remarkable details illustrating the methods by which Nazi propaganda arising in Germany is being conducted in Austria.

4. I told the Minister of the visit to me yesterday of Herr von Hoesch, the German Ambassador, in which he had made the declaration that the German Government had not the slightest intention of violence against Austria nor of breaking their treaty obligations, and I gave him a summary of the conversation which ensued, and which is recorded in my despatch No. 92 of the 22nd January to Sir E. Phipps.<sup>1</sup>

5. Herr Franckenstein also referred to the memorandum<sup>2</sup> which he sent to this office on the 17th January, urging upon us the provision of greater economic facilities for Austria. I told him that this document was under the consideration of His Majesty's Government, and, indeed, that I had taken steps to have it specially considered by my colleagues at an early date. I was not, therefore, able to give him any reply at present, but I made two enquiries about its contents: First, if the present political situation of Austria was so precarious and Nazi propaganda so threatening, was it likely that any economic adjustment such as the document proposed would turn the scale? Herr Franckenstein replied that his Government considered that the moral effect of Great Britain making such a concession at this moment would be great. Secondly, I said that I did not quite appreciate how, if we were not at liberty to concede preference by straightforward methods, we could be expected to bring about the same result by charging full customs rates and then give a rebate which would amount to the same thing as a preference. I did not think that we should be likely to agree to do in an underhand way what we could not promise to do directly. Herr Franckenstein said that he had himself reflected that this was not the British way of doing things, but urged in extenuation that some other neighbours of Austria (I think he mentioned Hungary) had thought that indirect arrangements of this sort might be possible. I repeated the declarations already made by His Majesty's Government that they regarded the independence and integrity of Austria as a principal objective of their policy in Europe and would use all their influence to this end, but I expressed no further opinion on the Austrian note and told him that the matter was being considered by the technical departments.

I am, &c.,

JOHN SIMON

<sup>1</sup> Not printed. In this despatch, Sir J. Simon recorded that he told the German Ambassador that: 'British policy, as he knew from our previous declarations, was directed to preserving and maintaining the integrity and independence of Austria.'

<sup>2</sup> Not printed.

## APPENDIX I TO No. 201

### *Aide-mémoire*

LONDON, *January 23, 1934*

In view of the alarming intensification of terrorism in Austria during the last few days—terrorism which is known to be directed and encouraged by certain circles of the German National Socialist party—the Austrian Government have had no other course but to inform the German Government that unless a prompt and complete stop is put to these National Socialist machinations they will seriously consider making an appeal to the League of Nations. (In the opinion of the Austrian Government, Article 11, paragraph 2, of the League Covenant would provide a suitable basis for such an appeal.)

The Austrian Government have been compelled by the heightened Nazi agitation in Austria since the 1st January to have resort to severer counter-measures. They now learn from reliable sources that, acting on instructions from Germany, the Nazi supporters in Austria propose in the near future to develop their terrorist activities to the highest possible pitch.

The connexion between the National Socialist party in Germany and the agitators in Austria has been established beyond all doubt as a result of the discovery that large quantities of explosive materials and propaganda matter are being sent to Austria from Germany, and that a German diplomatic functionary was in direct touch with Austrian Nazi leaders.

Moreover, it is now known that despite official assurances that the members of the so-called Austrian Legion in Germany had been dispersed among various labour camps, large bodies of these men are established quite close to the Austrian frontier, for instance, at Freilassing (near Salzburg). The Austrian Government have also received further information in confirmation of earlier rumours as to the arming and training of these men and the special role they are intended to play in the fight against the Austrian Government.

As is well known, the Austrian Government have made every effort to settle the dispute in direct negotiations with Germany. They are now compelled to realise, however, that they can no longer pursue this course unless satisfactory guarantees are forthcoming from the German Government that an end will be put to the German encouragement of anti-Governmental activities in Austria, and that the supply of explosives, &c., to Austria, the anti-Austrian broadcast and press campaign, and support of the 'Fighting League of Austrians in Germany' shall cease. The German Government cannot well disclaim responsibility or power to control the responsible circles of the National Socialist party, for the fact that it was found possible not long ago to stop the propagandist air raids on Austria shows that if desired the other methods of attacking the Austrian Government could also be called off.

## APPENDIX II TO No. 201

### *Résumé*

LONDON, *January 23, 1934*

The reports concerning the seizure of considerable quantities of propa-

ganda material and explosives of German origin submitted by various local police authorities to the Central Board of Public Security in Vienna throw some light on the intensive propaganda campaign emanating from Germany and apparently directed by certain Nazi circles there which is being pursued in Austria.

The following extracts from the reports will serve to illustrate the nature of these activities:—

The Federal police station at Wels notified the Vienna Public Security Board on the 27th December that a motor lorry, into which packages had been loaded at the coal merchants' shop Waltl, in Wels (Upper Austria), had left for Vienna, and that it was suspected to carry Nazi propaganda material.

The lorry was stopped on the outskirts of Vienna. The twenty-six cases and packets on the lorry were inspected by the local police authorities and found to contain amongst other things:—

89,000 leaflets with a picture of the Vienna Town Hall flying a Swastika flag.

137,000 leaflets with a picture of Hitler in conversation with the Papal Nuncio in Munich.

56,000 leaflets headed 'The Catholic Church for Adolf Hitler'.

18,000 copies of the periodical 'Österreichischer Pressedienst' (Austrian Press Service), &c.

19,000 gummed labels with the text 'Break the Dollfuss Chains'.

24,000 gummed labels with the text 'Dollfuss means Prison, Starvation and Distress', 10 cans, 18 tins and 43 tin containers (egg-shaped with tear-off contrivance) containing apparently some evil-smelling mixture.

In addition, eight parcels were found addressed to various people in Carinthia, and one parcel with 100 letters containing more propaganda material and addressed to various people in Carinthia and in Eastern Tyrol.

As the result of investigations carried out by the police authorities in Wels and in Vienna the following facts were brought to light:—

The propaganda material in question was stored with the firm of Waltl by the insurance agent Steinwendtner. It belonged to a consignment of material part of which had previously been seized by the gendarmerie in Reid and Schärding (Upper Austria). This material had been smuggled by ferry across the River Inn at the confluence of the Inn and the River Antiesen, near the Bavarian village of Götting and the Austrian village Hub. The taxi chauffeur, Schmiedberger, of Oberhaid, near Wels, confessed that he had received orders from the insurance agent Steinwendtner and from two other people unknown to him to take the propaganda material into Wels in his car, and that he had asked, and received 125 Austrian Schillinge for each of the first two journeys undertaken for that purpose, and 130 Austrian Schillinge for the following two journeys. According to Schmiedberger, the material had been taken by motor car from Simbach to the place on the River Inn from where he collected it. The frontier gendarmerie are of opinion that the organiser of the transport is an *Ingénieur*, Max Merkl, director of the dam



and river engineering works at Würding (Bavaria), and that he supplied the boats for smuggling the material across the river.

Addresses found during a search in the house of Steinwendtner led to investigations being made in a provision shop in Vienna formerly owned by one Ignaz Schowanetz (deceased) and now run by a lessee, Johann Krickel. When the detective entered the place, he found Krickel and the widow of Ignaz Schowanetz engaged in opening a parcel which contained thirty egg-shaped hand grenades and four tins filled with stink gas, as well as printed instructions for use, all packed in a corrugated cardboard box. According to a label on the cardboard box, this had been sent post free by the firm Telefunken A.G. to the Landesleitung for Austria of the Nazi party in Munich.

The Austrian authorities were able to establish the fact that the egg-shaped grenades discovered in the shop of Schowanetz are of the same make and kind as those found in the lorry.

Karl Tuch, one of the men who was detained as a passenger on the lorry which carried Nazi propaganda material to Vienna, and who is known to be the local leader of the Nazi party in the fifth district of Vienna, confessed, when questioned, that a few weeks ago he had received instructions from Eduard Frauenfeld (now detained at Wöllersdorf) to find suitable persons and localities for the storing of Nazi propaganda material.

Searches for Nazi propaganda material made by officials of the Federal police amongst goods consigned by rail led to the seizure of a case at the Western Railway Station in Vienna addressed to the firm of Schowanetz in Vienna (mentioned in connexion with the previous investigations in regard to propaganda material smuggled by lorry into Vienna from Wels) and containing 1,200 Nazi appeals set out in the same style as the appeals of the Austrian Federal Chancellor on behalf of the Austrian Winter Distress Fund, with the facsimile signature of Dr. Dollfuss, 3,000 copies of the Nazi leaflet 'Not Hatred but Love', two cardboard boxes, each containing four fireworks, and one box containing forty-two different kinds of cardboard bombs; and, finally, a sack labelled 'Cooking Salt from the Bavarian Salt Mines,' and containing seven parcels of propaganda literature and a sound film of the German party congress at Nürnberg. This case, as well as three other cases containing propaganda material (and addressed to persons implicated in the Wels lorry smuggling affair), were consigned by rail to Vienna from Altheim-Obernberg, in the district of Braunau on the Inn. It was ascertained that the sender was a young man not known in Altheim-Obernberg.

(Dated Vienna, the 28th December and the 6th January, respectively.)

## No. 202

*Sir W. Selby (Vienna) to Sir J. Simon (Received January 25, 5.45 p.m.)*  
*No. 12 Telegraphic [R 510/37/3]*

VIENNA, January 25, 1934, 3.35 p.m.

Political Director informed me this morning that they had received

telegram from their representative in Rome saying that Signor Suvich after consulting Signor Mussolini wished to tell them that Italian Government did not feel disposed to make any fresh representations in Berlin. Political Director said he appreciated Italian attitude. Their position was very difficult and they did not wish to take the lead. Political Director said that if the problem went to Geneva they believe Italian Government would participate in discussion there.

No answer had as yet been received from Berlin but a press message indicated that reply would be unsatisfactory in which case Austrian Government would communicate with Secretary General of League of Nations.

French Minister informs me that M. Boncour is anxious that the problem might be discussed at Geneva.

Political Director read me Baron Fran[c]kenstein's records of preliminary conversation in London. He had not yet heard from Baron Fran[c]kenstein decision of Cabinet as to attitude of His Majesty's Government.

Repeated to Rome and Berlin.

### No. 203

*Sir J. Simon to Sir E. Drummond (Rome)*

*No. 34 Telegraphic [W 570/1/98]*

FOREIGN OFFICE, *January 25, 1934, 7.30 p.m.*

Your telegram No. 19.<sup>1</sup>

1. You will remember that at my first conversation with Signor Mussolini on January 3 he handed me a document<sup>2</sup> setting out the Italian view on disarmament and indicated that he was thinking of communicating this or something like it to France and Germany and that he might decide to publish it shortly. I told him at the time that while His Majesty's Government fully shared his view that it would be disastrous if we failed to arrive at an agreement to regulate armaments, we also felt gravely disturbed at the abandonment of all hope of an agreement which would contain at any rate some disarmament. Signor Mussolini indicated that he was disposed to agree and would not be averse to seeing plans worked out on such lines if this proved possible. I ventured to deprecate immediate publication of his proposals till I had time to consult my colleagues in the following week. On January 4 Signor Mussolini agreed to this course and added that he had appreciated my criticism that an agreement on this question which did not actually provide for some measure of disarmament would have a very different welcome from one on the lines he had first indicated. He would favour the alternative if it were possible to secure it.

2. On my return to London I at once informed the Cabinet fully of Signor Mussolini's views and sent to you my telegram No. 12<sup>3</sup> of January 12 requesting you to inform Signor Mussolini that my colleagues confirmed the suggestions which I had made to His Excellency in the course of our

<sup>1</sup> No. 183.

<sup>2</sup> See Enclosure in No. 161.

<sup>3</sup> No. 174.

meetings. I asked you to express to Signor Mussolini His Majesty's Government's conviction that it would be well that neither the Italian Government nor His Majesty's Government should risk prejudicing or complicating the conversations which were at the moment proceeding by issuing any pronouncement until the nature of the German Government's replies to the French and British Governments was seen.

3. On January 14 you sent your telegrams Nos. 15<sup>4</sup> and 16<sup>5</sup> informing me that the Italian Government would wait for that week and that they would in any case warn us before making any public pronouncement. You added however in your telegram No. 19 of January 16 that you thought Signor Mussolini intended to make some public pronouncement on January 21 or shortly afterwards.

4. On January 19 I received on my return to London from Geneva the text of the German replies both to His Majesty's Government and to the French Government. These replies have been sent to you. I gathered from Baron Aloisi's conversation with Mr. Eden at Geneva (Geneva telegram No. 4<sup>6</sup> of January 15) that the German Government had already communicated to Signor Mussolini the substance of their reply to the French Government. I assume therefore that Signor Mussolini is also acquainted with the substance of the German reply to His Majesty's Government, but you should at once show him this reply and Sir E. Phipps's note of December 20 in case he is not already fully informed.

5. Now that the nature of the German reply to France and Great Britain is known both to Signor Mussolini and to ourselves it has become clear to His Majesty's Government that the further progress they had hoped for from the parallel and supplementary diplomatic exchanges is most unlikely to be achieved by a continuance of these bilateral methods. They have therefore had to take under urgent consideration the necessity of some different step in order to promote agreement. They have been especially impressed by the insistence with which Herr Hitler in his reply to His Majesty's Government (telegraphed to you on January 20) requests His Majesty's Government 'for a concrete statement of the measure of disarmament which in their view should be carried out by the highly armed States (effectives, material, period of execution, date of commencement and numerical control of execution)'. This is a demand which they cannot in justice either to themselves or other parties refuse to answer. Indeed, a prompt answer from us is imperative since the German request for our views has been made known to the press in Berlin. Moreover there is an increasing demand in this country that the British view on the right solution of the disarmament problem should be clearly stated, and the reassembling of Parliament on January 29 will bring this immediately to a head.

6. His Majesty's Government do not know whether Signor Mussolini is still contemplating making a public pronouncement on the subject of disarmament. They of course are most grateful to him for delaying any such pronouncement till the German replies were received. They feel themselves

<sup>4</sup> No. 180.

<sup>5</sup> Not printed. See No. 180, note 3.

<sup>6</sup> No. 182.

that they must now make their own views clear in a perfectly concrete form as they have been challenged to do by the German Government. The Cabinet has therefore been considering a statement of these views and it may be necessary to publish the statement which is now being prepared very shortly.

7. I request that you will seek an urgent interview with Signor Mussolini and put to him the substance of this telegram. As soon as the statement is finally drafted I will acquaint you most urgently with the gist of it so that you can communicate it to Signor Mussolini before publication. We hope to telegraph further on Saturday.<sup>7</sup> Meanwhile, you should add that His Majesty's Government are proceeding on lines resulting from our Rome conversations and therefore earnestly trust they can count on full co-operation with the Italian Government which indeed is vital to the objects which Signor Mussolini and I both had in view.

8. His Majesty's Government had been rather expecting that Signor Mussolini would by this time have warned us of his intention to make public his views. This, however, has not yet occurred although the German Government replies were given on January 19. Signor Mussolini will therefore have understood that we are not urging any further delay on his part if he still sees fit to make any pronouncement.

9. Our statement will be of a comprehensive and detailed character. Signor Mussolini will recognise in it some of the considerations which I put to him in Rome and to Signor Grandi on January 16 (my despatch No. 59<sup>8</sup> of January 16). He will also find that His Majesty's Government are pronouncing strongly in support of the suggestion he made to me on January 3 that Germany, as part of the projected arrangement, should return to Geneva and to the League of Nations. His Majesty's Government have been deeply impressed with the justice and wisdom of this proposal and will attach the greatest importance to its inclusion.

10. We should like to include in our document the statement that this last suggestion was made by Signor Mussolini to me during our Rome conversations. If, however, Signor Mussolini prefers not to be quoted, we will of course omit the reference to himself. Our sentence might run as follows:— 'Signor Mussolini, in the course of the Rome conversations four weeks ago laid emphasis on a "fundamental counterpart" to agreement with Germany, viz. the return of Germany to Geneva, not only with a view to signing the Disarmament Convention but to resume her place once more in the League of Nations.'

<sup>7</sup> January 27.

<sup>8</sup> No. 184.

No. 204

*Sir J. Simon to Sir E. Drummond (Rome)*

*No. 35 Telegraphic [W 570/1/98]*

FOREIGN OFFICE, *January 25, 1934, 7.30 p.m.*

My immediately preceding telegram.<sup>1</sup>

In view of my telegram No. 12,<sup>2</sup> I should of course not wish now to appear in any way to deter Signor Mussolini from making a pronouncement if he still so desires. But for your own information and guidance I should explain that it will naturally suit us far better if the Italians do not publicly produce some set of proposals almost simultaneously with ours. The probable result of such action would be a prolonged and contentious comparison of the two texts by other countries. This in turn would result in slowing down—possibly to vanishing point—the prospects of acceptance. And time is now of the essence of possible success. While therefore not discouraging the Italians from any publication, you should do nothing to encourage them.

<sup>1</sup> No. 203.

<sup>2</sup> No. 174.

No. 205

*Sir E. Drummond (Rome) to Sir J. Simon (Received January 26, 9.30 a.m.)*

*No. 26 Telegraphic [R 540/37/3]*

ROME, *January 25, 1934, 9.30 p.m.*

Your telegram No. 32.<sup>1</sup>

I saw Signor Suvich today and developed at some length argument that His Majesty's Government in the United Kingdom had consistently used their influence to promote integrity and independence of Austria. We were consequently rather puzzled by his reference to Sir R. Graham's communication to Signor Mussolini.

Signor Suvich replied that Sir R. Graham had said at one moment that 'we might put our money on a horse which was likely to fall before it reached the last jump'. I observed that this was clearly a personal prophecy and in no sense an official communication. Signor Suvich agreed but said that British press was at that time taking up defeatist line. He added of course today no one would dare to assert that Dollfuss would win through but he thought on the whole chances were not unfavourable provided that he were given sufficient support and carried on an energetic policy.

In view of third paragraph of Vienna telegram No. 10<sup>2</sup> I then enquired whether Italian Government would consider joint representation, say by

<sup>1</sup> No. 197.

<sup>2</sup> Not printed. This telegram of January 20 contained Sir W. Selby's comments on his conversation with Signor Suvich (see No. 194). In the third paragraph Sir W. Selby stated that he felt that a definite lead by His Majesty's Government, in conjunction with France, was the last chance of preventing a landslide in Austria.

Great Britain and France, desirable. Signor Suvich did not think so but he believed individual action by each Great Power separately would be most beneficial. Joint action owing to suspicion of France and her association with Little Entente would only provide fuel for Nazi propaganda: but separate action even by France would not have this effect. However if the worst came and Germany had to be given a solemn warning or even action (he mentioned sanctions) taken against her then common front would be required. Italy would not refuse to play her part. He insisted, however, that this would only be last resort and that for the present separate political pressure should be applied.

I referred to his use of the phrases 'revision of political system' and 'providing Austria with assurances possessed before the war'. With regard to the first Signor Suvich mentioned Herr Dollfuss was only supported by army, police and a small body of Heimwehr. In reply to enquiry he maintained that Catholics as such did not constitute a political factor. The youth and intellectuals of the country particularly in provinces were opposed to him. No government which relied solely on a policy of repression could last for any considerable period. There must be something constructive and ideal. I gathered that he would like to see Chancellor (a) establish programme dwelling on distinct and independent mission, as a German Power, of Austria in Central Europe and world; question of Austrian resistance to Germans [*sic*] pressure was largely psychological and such programme would help, (b) form youth associations to counteract Nazi propaganda, (c) introduction of new constitution that was being talked of, (d) suppression of socialist municipality of Vienna. He claimed that even Socialists were more or less resigned to this and whatever the wisdom of . . .<sup>3</sup>ing Socialists in the past, it was now question of life or death. Dollfuss must move more to the Right and he hoped that such movement would not be discouraged from the outside.

As for assurances possessed before the war I gathered that this really referred to economic facilities.

I should add that Signor Suvich told me he had been somewhat upset by reports in British press of disturbances which had occurred during his stay at Vienna. These, he said, were greatly exaggerated.

Above is a short summary of a long conversation, full record of which goes to you by bag.<sup>4</sup>

Repeated to Vienna.

<sup>3</sup> The text is here uncertain.

<sup>4</sup> Not printed.

*Memorandum on Disarmament*

[W 871/1/98]

FOREIGN OFFICE, *January 25, 1934*

## I

1. On the 22nd November the Bureau of the Disarmament Conference unanimously decided that the work of the Conference should be suspended for a period, in order to permit of parallel and supplementary efforts being carried on between different States, mainly through the diplomatic channel. In the interval this method has been actively pursued, and bilateral communications have taken place between various capitals. As a result, the points of view of certain Governments have been further defined, and some general propositions which they had previously advanced have taken a more concrete shape. Yet it must be admitted that, on comparing the attitudes thus disclosed, no firm basis of agreement at present emerges; and, while these diplomatic exchanges have undoubtedly cleared the ground and revealed the immensity and difficulty of the problem in their true proportions, the method recently followed cannot in itself produce a unanimous result and is in danger of exhausting its usefulness. On the other hand, a resumption of the discussions at Geneva without any new directive suggestions is only too likely to lead to further disappointment.

2. In these circumstances His Majesty's Government in the United Kingdom consider that the time has arrived when they should make public their own attitude in the present situation, the gravity of which must be apparent to every thoughtful mind, and should thus make a further positive contribution, so far as lies in their power, to promote a reconciliation of views in a matter upon which the future of the world may depend. If agreement is to be reached and a Convention is to be signed, it is useless for any Power merely to insist on its own ideals and its own requirements or to refuse to depart in any degree from the solution which it deems best. His Majesty's Government are making the present communication, not for the purpose of formulating unattainable ideals, but in order to indicate the lines of a compromise which they believe, after reviewing the history of the discussions and closely studying the recent interchange of views, should be generally acceptable.

3. Before dealing with any specific proposition as to the measure or the regulation of armaments, His Majesty's Government must reassert the main objective to which all proposals on this subject are directed. That objective is, as Article 8 of the Covenant declares, the maintenance of peace. Even though increase of armed strength may be actuated by reasons of defence, it is an index of fear of attack from another quarter, and a measure of the alarm and disquiet existing between peoples. Conversely, a general agreement securing the limitation of armaments at the lowest practicable level would be the most effective and significant proof of international appeasement and an

encouragement of the mutual confidence which springs from good and neighbourly relations. Consequently, His Majesty's Government regard agreement about armaments not as an end in itself, but rather as a concomitant of world peace and as an outcome of political amelioration. For this reason, they have always acknowledged the relation between the conception of equality of rights on the one hand, and of security on the other. For this same reason, they welcome the indications that Herr Hitler's recent proposals, whatever may be said of their precise content, are concerned not only with technical questions of armament, but with political guarantees against aggression.

4. It follows from the above considerations that agreement is most likely to be reached on a broad basis which combines regulation of armaments with assurances in the political field. Protracted debates on disarmament in its limited and purely technical aspect can lead to no conclusion, unless wider considerations touching the equality and the security of nations are borne in mind and provided for. Hence the United Kingdom Draft Convention, which was approved at Geneva as a basis of the ultimate agreement by a unanimous vote which included both France and Germany, began with a 'Part I' on the subject of Security, proposing methods of consultation for the purpose of determining on appropriate action in the event of a threatened breach of the Briand-Kellogg Pact. The amplification of this proposal is dealt with below (paragraph 9). His Majesty's Government must emphasise that they have never departed from the principles and purposes of the Draft Convention or have sought to substitute a second and contradictory draft for it. If there were any misapprehension in any quarter on this score, the declaration they are now making will finally remove it. The Prime Minister, when presenting the Draft Convention to the Conference in March of last year, plainly intimated that it was not necessarily to be regarded as a final and unalterable text, and subsequent discussion has shown that it requires adjustment in certain respects if general agreement is to be reached. Any suggestions which have since been put forward for consideration have been tentatively advanced with a view to seeing whether they would promote such agreement, and for no other purpose. But the underlying conceptions of the Draft Convention remain the standpoint of His Majesty's Government, and could only be abandoned if and when a more acceptable alternative were generally agreed.

5. But while His Majesty's Government are not prepared to depart from the lines of the Draft Convention without being assured that there is an alternative which would more readily lead to universal agreement, they have been perfectly prepared to give unprejudiced consideration to new suggestions and to do their utmost to promote their general acceptance. The failure to reach agreement would inflict a fearful blow upon the hopes of all friends of peace throughout the world, whereas the attainment of agreement would create and build up that confidence which is the only secure basis for the limitation of armaments. The importance, therefore, of attaining international agreement by any possible means is so great that no suggestions,



from whatever quarter they come, should be rejected merely because of a preference for a better solution which is, in fact, unattainable. An illustration lies ready to hand. It is sometimes argued that the solution of the disarmament problem lies in the immediate abandonment by all the world of all the weapons which the Peace Treaties withheld from certain Powers. But it is manifest that such a solution is in practice unattainable at the present time. That is no reason for abandoning the effort to secure, in this first Convention, all that can be attained. The devotion of the whole British people to the cause of disarmament is deep and sincere, as is sufficiently proved by the present position of its armaments in comparison with those of other leading Powers. They realise that further progress can only be achieved by agreement, and therefore His Majesty's Government would still work for agreement, even though, having regard to the principle of equality of rights, agreement is found to involve alongside of disarmament in some quarters some measure of rearmament in others.

6. It should not be overlooked that the scheme of the Draft Convention itself involves some degree of rearmament for those States whose armaments are at present restricted by treaty. Germany, for example, in view of the numerical increase proposed in her effectives, would need quantities of rifles and machine guns in excess of anything provided in the Treaty of Versailles. And this is not all. His Majesty's Government have more than once publicly stated that an international agreement based on the admitted principle of equality in a régime of security necessarily involves that, within the stages provided for by such an agreement, the situation must be reached in which arms of a kind permitted to one State cannot continue to be denied to another. His Majesty's Government see no escape from this conclusion, and they do not seek to escape from it, for they are convinced that the best prospect for the future peace of the world would be afforded by an agreement which recognises and provides for this parity of treatment, while it abolishes or reduces to the lowest possible level all arms of a specially offensive character, and provides by the most appropriate means available for a greater sense of security. So far as Europe is concerned, a reconciliation of the points of view of France and Germany is the essential condition of general agreement. If a way is not found to accommodate their respective points of view, this greater sense of security will not be promoted. And without it, substantial disarmament is impossible. On the other hand, if an agreement is reached, even if the agreement at present attainable falls short of the highest hopes, the gain of reaching and observing such an agreement would be immeasurable, and the fact that it had been reached and observed would form the firm foundation on which further agreement of more comprehensive character might be based in the future.

7. We must therefore seek a solution where a solution can be found. No agreement is no solution at all, and the world will be thrown back upon unrestricted competition in the supply and manufacture of weapons of destruction, the end of which no man can see. Putting aside, therefore, as not immediately attainable the ideal of universal disarmament to Germany's permitted level, and refusing to acquiesce in the conclusion that agreement

cannot be reached, the choice appears to His Majesty's Government to lie between two conceivable courses so far as the future armaments of the heavily armed Powers are concerned. These two choices are:—

- (1) To reach agreement in a Convention which will involve the abandonment of certain classes of weapons by the most heavily armed Powers.
- (2) To reach agreement on the basis that the most heavily armed Powers are unable or unwilling to disarm, but that they will undertake not to increase their present armaments.

The second course is the one which is indicated in certain quarters as the most that can be hoped for. But His Majesty's Government cannot contemplate as acceptable a conclusion which, though it would provide for a limitation of armaments, would do nothing whatever to secure their reduction. His Majesty's Government, therefore, would earnestly press upon other Governments that the first course, which they most strongly prefer and regard as more in accord with the main object to be attained, should not be abandoned, but should be actively pursued. The second part of this communication sets out the way in which His Majesty's Government believe this could be accomplished.

## II

8. His Majesty's Government conceive that international agreement in the matter of armaments can only be reached by making adequate provision under the three heads of (*a*) security, (*b*) equality of rights, (*c*) disarmament. These three topics were all dealt with in the Draft Convention, and the object of the present document is to explain how, in the light of actual circumstances and of the claims and proposals put forward from various quarters, the contents of that Draft Convention might be modified or expanded in certain particulars with a view to securing general agreement. His Majesty's Government have studied with close attention the points of view advanced by the French, Italian, German and other Governments in the course of recent interchanges. Nearly a year ago His Majesty's Government undertook the responsibility of placing before the General Commission a full Draft Convention. The adjustments now proposed in the text of that Draft are such as subsequent communication and consideration show to be best calculated to bring about concrete results.

9. *Security*.—Part I of the Draft Convention dealt with the subject of security. As the result of a redraft which was unanimously approved on the 24th May, 1933,<sup>1</sup> it now consists of four articles, three of which provide in effect that, in the event of a breach or threat of breach of the Pact of Paris, immediate consultation may be called for and shall take place between signatories to the Convention for the purpose of preserving the peace, of using good offices for the restoration of peace, and, in the event that it proves impossible thus to restore the peace, to determine which party or parties to the dispute should be

<sup>1</sup> See League of Nations: *Records of the Conference for the Reduction and Limitation of Armaments*, *Minutes of the General Commission*, vol. ii, pp. 494-9.

held responsible. It will be observed therefore that, as at present drafted, the event which brings these provisions into play is the breach or threatened breach of the Pact of Paris. His Majesty's Government regard such provisions as of very great importance. But so vital is the connexion of a feeling of security with the peace of the world that they would add to them yet further articles. It is in their view important to extend the principle of consultation in the event of a breach or threat of breach of the Pact of Paris to the event of a breach or threat of breach of the Disarmament Convention itself. They would therefore suggest that three new articles—2 (a), 2 (b) and 2 (c)—should be inserted between the revised Articles 2 and 3. The first of these—2 (a)—would be Article 89 of the present Draft Convention, which declares that the loyal execution of the Convention is a matter of common interest to the High Contracting Parties. Article 2 (b) would declare: 'The provisions for immediate consultation contained in article 1 will also be applicable in the event of the Permanent Disarmament Commission, to be set up in accordance with Part V, Section 1, of the present Convention, reporting the existence of facts which show that any High Contracting Party has failed to execute loyally the present Convention.' Article 2 (c) would state: 'It shall be the object of such consultation to exchange views as to the steps to be taken for the purpose of restoring the situation and of maintaining in operation the provisions of the present Convention.' The insertion of these articles would, in the opinion of His Majesty's Government, emphasise the inescapable duty of all signatories of the Convention to keep in the closest touch with one another, and to do whatever is right and possible to prevent or remedy any violation of so important an international treaty.

A further contribution to the cause of peace and security, by lessening any tension or anxiety which exists between Germany and surrounding States, is provided by the willingness of the German Chancellor to conclude pacts of non-aggression with all Germany's neighbours. Such pacts should in no way weaken, but, on the contrary, should expressly reaffirm existing obligations to maintain peace under such instruments as the Covenant of the League of Nations, the Pact of Paris and the Treaties of Locarno, and His Majesty's Government cannot doubt that if such pacts were expressly entered into in connexion with the Convention (which, like the pacts themselves, His Majesty's Government, for reasons stated below, consider might be made in the first instance for a period of ten years) their practical value for the purpose of creating a sense of security will not be disputed.

His Majesty's Government consider that the suggestions here collected under the head of security constitute a sum total worthy of general acceptance. They have a right to expect that, if these provisions and pledges were solemnly entered into, they would not be lightly violated, and that any violation of them would be met in the most practical and effective way by immediately assembling Governments and States in support of international peace and agreement against the disturber and the violator.

10. *Equality of Rights*.—The Five-Power Declaration of the 11th December, 1932, put on record, in connexion with the problem of disarmament, the

principle 'of equality of rights in a system which would provide security for all nations' and declared that this principle should find itself embodied in a Disarmament Convention effecting a substantial reduction and limitation of armaments. From this Declaration His Majesty's Government have never withdrawn and they now reaffirm their unqualified adherence to it. The previous paragraph of this Memorandum attempts to define the essential elements of security without which the necessary conditions for an adequate Disarmament Convention would not be fulfilled. But His Majesty's Government do not hesitate to declare that the principle of equality of rights is no less essential in the matter of armaments than the principle of security—both must have their practical application if international agreement about armaments is to be reached. The proposals which follow, no less than the Draft Convention itself, are conceived in that spirit, and constitute a practical fulfilment of that principle.

11. *Disarmament*.—His Majesty's Government are glad to understand that Chancellor Hitler has declared that Germany voluntarily renounces any claim to possess 'offensive' weapons and limits herself to normal 'defensive' armaments required for the army with which she would be provided in the Convention. The German Chancellor, moreover, advances this proposition on the assumption that the heavily-armed States are not prepared to abandon under the Convention any portion of their existing weapons. As already indicated in paragraph 7 of this Memorandum, His Majesty's Government are entirely unwilling to accept this last assumption, and must insist that the only agreement worthy of the name of a Disarmament Convention will be one which contains reduction as well as limitation of armaments. There is, moreover, a further reason why His Majesty's Government emphasise the fact that the German Chancellor's declaration renouncing offensive armaments and claiming only what is necessary for normal defence, is based upon the assumption that the heavily-armed Powers are not prepared to reduce their own armaments in any degree. The measure of Germany's needs will necessarily be reduced if this assumption proves incorrect. A positive contribution to disarmament by the heavily-armed Powers will therefore help to bring the scale down all round, and should, as His Majesty's Government conceive, reduce the demands which Germany might otherwise be disposed to put forward.

12. The following proposals, in modification of the Draft Convention, are put forward on the assumption that the agreement would last for ten years. They have been framed after giving the fullest and most anxious consideration to suggestions and criticisms from all other quarters, and represent, in the judgment of His Majesty's Government, what might well be agreed in existing circumstances.

13. (a) *Effectives*.—While His Majesty's Government are still in favour, so far as they are concerned, of the figures given in the table they submitted at the end of Article 13 of the Draft Convention, they are aware of the recent discussion with the German Government in regard to the proper number of average daily effectives which should be allotted to Germany. To the figure

of 200,000 on a basis of 8 months' service proposed in the Draft Convention, the German Government have suggested the alternative of 300,000 on a basis of 12 months' service. This is one of the outstanding points of difference emerging from the recent exchange of views through the diplomatic channel. Though the point is difficult and serious, His Majesty's Government do not think this divergence ought to raise any insuperable obstacle to an agreed compromise. In the Draft Convention they themselves proposed 200,000 as the figure for the metropolitan average of daily effectives for France, Germany, Italy and Poland. It is not the figure of 200,000 which in their mind is the essential and unalterable element, but the principle of parity, fairly calculated and applied, in metropolitan effectives between these four countries. They are aware that difficult calculations are necessary to establish the right figures for the ten years which, as above suggested, would be the life of the Disarmament Convention, but His Majesty's Government are convinced that the fixing of the proper figure cannot be beyond the power of adjustment between the States principally concerned if the problem was made the subject of frank and conciliatory discussion between them. If the figure of 200,000 was found to be too low, an accommodation could surely be found between this figure (which His Majesty's Government believe to be preferred by the majority of the Powers concerned) and 300,000.

Agreement as to this figure will enable all European continental armies to be reduced to a standard type composed of short-term effectives as proposed in the Draft Convention. His Majesty's Government suggest that this process should be completed in, at most, four years. In Article 16 of the Draft Convention, eight months was suggested as the maximum total period of service for these effectives, though, at the same time, it was recognised that in special cases the period might have to be twelve months. His Majesty's Government appreciate that this must necessarily be a matter for the continental Governments to determine, and they are ready to concur in the longer period if such is the general desire.

In regard to land armed forces stationed overseas, His Majesty's Government have no further reductions to propose in addition to those already inserted in the Draft Convention. These, it will be remembered, would entail the reduction of French overseas forces by approximately 50,000 men.

A difficult problem has been raised in regard to the so-called 'para-military training', i.e., the training outside the army of men of military age. His Majesty's Government suggest that training outside the army should be prohibited, such prohibition being checked by a system of permanent and automatic supervision, in which the supervising organisation should be guided less by a strict definition of the term 'military training' than by the military knowledge and experience of its experts. They are particularly glad to be informed that the German Government have freely promised to provide proof, through the medium of control, that the S.A. and the S.S. are not of a military character, and have added that similar proof will be furnished in respect of the Labour Corps. It is essential to a settlement that any doubts and suspicions in regard to these matters should be set and kept at rest.

14. (b) *Land War Material*.—Certain countries will require, for the increased numbers of their standardised armies, an increased number of such weapons as are at present possessed by their smaller long-service armies. His Majesty's Government accept this view. They feel further that, by the Convention, prohibition as to the possession of anti-aircraft guns should disappear. They would suggest that the maximum calibre of guns in permanent frontier and fortress defensive systems should be fixed by international agreement.

Of the types of land war material at present denied by treaty to certain Powers, His Majesty's Government consider two weapons in particular must be dealt with. His Majesty's Government proposed in their Draft Convention that the maximum limit for the weight of tanks should be 16 tons. They recognised, however, that this problem 'evidently requires further international examination'. They are most anxious, in the interests alike of disarmament and of the realisation of the equality of all countries, that progress should at once be made with the elimination of tanks above the 16-ton limit. They suggest, therefore, that tanks over 30 tons should be destroyed by the end of the first year, over 20 tons by the end of the third year and over 16 tons by the end of the fifth year. These practical steps should help toward the solution of the problem, but 'further international examination', as contemplated by Article 21 of the Draft Convention, is obviously necessary. His Majesty's Government propose that this examination should be held by the Permanent Disarmament Commission, and should be completed not later than by the end of the third year. His Majesty's Government understand that the German Government maintain that tanks up to 6 tons are, in their view, necessary for the defence of their country. This view of the German Government was based on the supposition that other countries would make no reduction in respect of tanks at all, whereas His Majesty's Government now propose the reductions set forth above. None the less, His Majesty's Government are, for their part, willing to agree that the new German short-term service army, contemplated by the Draft Convention, should be equipped with tanks up to 6 tons. His Majesty's Government would be willing to agree to a similar arrangement in respect of Austria, Hungary and Bulgaria.

As regards mobile land guns, it will be recalled that in the Draft Convention His Majesty's Government made the proposal to secure that the maximum limit of these guns for the future should be 115 mm. They would greatly regret any proposals which tend to increase the size of future construction beyond this calibre, but they are bound to face the fact that the German Government maintain the view that mobile land guns up to 155 mm. are necessary as part of the armament of the proposed new short-term service army. His Majesty's Government, though still preferring the more drastic proposals of their Draft Convention, are willing to acquiesce in this proposal as part of the Convention, if by so doing they can secure prompt and general agreement on all points. His Majesty's Government would be willing to agree to similar proposals in respect of Austria, Hungary and Bulgaria.

But there remains the question whether it is not possible, by means of the proposed Convention, to secure the reduction in the maximum calibre of mobile land guns possessed by any Power. His Majesty's Government propose that such guns over 350 mm. should be destroyed by the end of the first year, those over 220 mm. by the end of the fourth year and those over 155 mm. by the end of the seventh year.

15. (c) *Air Armaments*.—His Majesty's Government have repeatedly emphasised the great importance of agreement in regard to the limitation and reduction of air armaments which may, in the future, prove the most potent military weapons in the possession of mankind. Full reflection has convinced them of the justice of the proposals contained in Articles 34-41 of their Draft Convention. Article 35 requires that the Permanent Disarmament Commission shall, immediately, devote itself to the working out of the best possible schemes providing for the complete abolition of military and naval aircraft, which must be dependent on the effective supervision of civil aviation to prevent its misuse for military purposes. His Majesty's Government are aware that the German Delegation at Geneva moved an amendment to this article, proposing the total abolition of military and naval aircraft without, however, making any specific provision for solving the problem of civil aviation. The appropriate occasion to discuss this proposal would be the immediate enquiry provided for in Article 35. In their view it would be prejudicial to the prospects of the enquiry that any party not hitherto entitled to possess military aircraft should claim such possession pending the results of the enquiry. At the same time they frankly recognise that Germany and other States not at present entitled to military aircraft could not be asked to postpone for long their claim. They suggest, therefore, that the maintenance of the *status quo* laid down in Article 36 of their Draft Convention should be modified as follows: If the Permanent Disarmament Commission has not decided on abolition at the end of two years, all countries shall be entitled to possess military aircraft. Countries would reduce or increase by stages, as the case might be, in the following eight years so as to attain, by the end of the Convention, the figures in the table annexed to Article 41, or some other figures to be agreed on. Germany would acquire parity with the principal air Powers by these stages, and corresponding provisions would be made for other Powers not at present entitled to possess military or naval aircraft.

16. It is, of course, understood that all construction or fresh acquisition of weapons of the kinds which are to be destroyed during the life of the Convention would be prohibited.

17. (d) *Naval Armaments*.—His Majesty's Government, for their part, still stand by the Naval Chapter of the Draft Convention. They appreciate, however, that the time which has passed since they put forward that Draft Convention last March has brought much closer the assembling of the Naval Conference of 1935. Should it be thought, in view of this consideration, that the situation prior to the 1935 Conference could appropriately be dealt with by some simpler arrangement than that contained in the Naval Chapter,

His Majesty's Government would be prepared to make proposals to that end in due course. They suggest, however, that prompt agreement on other matters, and embodiment of that agreement in a world-wide convention, would be of great assistance to the naval discussions proposed in Article 33 of the Draft Convention.

18. *Supervision.*—His Majesty's Government are well aware of the great importance attached by various Governments to the institution of a system of permanent and automatic supervision to control the observance of the Disarmament Convention. There is obviously a close connexion between mutual agreement about levels of armament and a system of adequate international supervision. There are, however, many technical difficulties which arise in this connexion and which must be practically met. His Majesty's Government affirm their willingness, if general agreement is reached on all other issues, to agree to the application of a system of permanent and automatic supervision, to come into force with the obligations of the Convention.

19. It will be seen that the adjustments which His Majesty's Government propose are based on a duration of ten years for the Convention. The Draft Convention suggested five years. Continued reflection, however, on the subject and constant discussion with other Governments have convinced His Majesty's Government that any stable system should be founded on a longer period. Only if a longer view is taken can substantial reductions of armaments, and the full realisation of all countries' equality of rights and durable security, be realised. The proposal of the German Chancellor, that undertakings not to resort to force between Germany and other European Powers should be of at least ten years' duration, fits in very closely with the proposal now made by His Majesty's Government that the Disarmament Convention itself should be of ten years' duration. They confidently hope that, if a convention on the lines now proposed can be accepted, humanity will within the coming ten years acquire such a deep-rooted conviction of the contribution to peace which such a convention can make that, when the Convention is due to expire, further progress can be achieved in the reduction of armaments. By the successful conclusion of a convention on such lines, and in the atmosphere of firmer peace and increased mutual confidence which would accompany it, the way will be prepared for a closer and more hopeful approach to the political and economic problems which at present perplex and divide the nations of the world.

20. The object of His Majesty's Government in formulating these proposals and publishing them for consideration is not to describe the terms of an agreement which they themselves would most desire, without regard to the claims or needs of others, but to propound a basis of compromise on which it would appear, in present circumstances, that general agreement could be and should be now reached. The proposals, therefore, must be considered as a whole and they are framed in the endeavour fairly to meet essential claims on all sides. The grave consequences which would follow the failure of the Disarmament Conference are realised by all and need no further emphasis. The policy of His Majesty's Government in the inter-



national sphere is directed, first and foremost, to contributing to the utmost of their power to the avoidance of these consequences by promoting general agreement. Signor Mussolini, in the course of the Rome conversations four weeks ago, laid emphasis on a 'fundamental counterpart' to agreement with Germany, viz., the return of Germany to Geneva, not only with a view to signing the Disarmament Convention, but to resume her place once more in the League of Nations. If agreement is secured and the return of Germany to Geneva and to the League of Nations brought about (and this ought to be an essential condition of agreement), the signature of the Convention would open a new prospect of international co-operation and lay a new foundation for international order.

No. 207

*Sir J. Simon to Sir E. Phipps (Berlin)*

*No. 100 [W 612/198]*

FOREIGN OFFICE, *January 25, 1934*

Sir,

His Majesty's Government have had under very careful consideration the reply of the German Government, a translation of which was contained in Your Excellency's telegram No. 24<sup>1</sup> of 19th January. They have also fully considered the German reply to the French Government and have reviewed the whole course of the diplomatic exchanges on the subject of disarmament since the Disarmament Conference adjourned.

2. As a result, and also in view of the request or challenge contained in the German note that His Majesty's Government should put forward 'a concrete statement of the measure of disarmament which in their view should be carried out', His Majesty's Government have decided to prepare a comprehensive and detailed statement<sup>2</sup> of their views and proposals. This document is not yet finally approved, but I transmit it to Your Excellency in its present state and will inform you by telegraph at the earliest possible moment of any changes that may be made in the text. I will then give you instructions to deliver it without delay to Chancellor Hitler.

3. The document will be at about the same time communicated to the other Powers represented at the Disarmament Conference.

4. Till you receive my supplementary telegram Your Excellency should maintain silence as to the intentions of His Majesty's Government in this matter.

I am, &c.,  
JOHN SIMON

<sup>1</sup> No. 191.

<sup>2</sup> See No. 206. Copies of the memorandum were also sent on January 25 to H.M. Representatives at Angora, Athens, Belgrade, Brussels, Bucharest, Budapest, Moscow, Prague, Sofia, Vienna, and Warsaw. The amendments given in Nos. 217 and 218, note 3, were telegraphed to these capitals on January 30.

*Sir J. Simon to Sir E. Drummond (Rome)*

*No. 41 Telegraphic [W 570/1/98]*

FOREIGN OFFICE, *January 26, 1934, 11.55 p.m.*

My telegram No. 34<sup>1</sup> of yesterday.

1. With reference to paragraph 10 of the above telegram, it is urgently necessary to receive an answer at the earliest possible moment for the following reason. The German Chancellor is to make a declaration of policy in Berlin on Tuesday afternoon.<sup>2</sup> We shall in any event make no publication of our memorandum until we have considered what Hitler then says, but I propose to state in the House of Commons on Monday that His Majesty's Government, after reviewing the recent exchanges, including the German replies of January 19, have despatched to our Ambassadors a statement of their own views for the information of the Governments concerned. We obviously cannot do this until the contents of our own document are finally settled.

2. Signor Grandi saw me this afternoon and gave me a message from Signor Mussolini to the effect that he wished to know whether it was true that, as the London papers had implied, we were contemplating a public pronouncement. I told him of my instructions to you in the telegram under reference and explained that we had not finally decided upon publication, but in any event should not publish until after Hitler had spoken. Signor Grandi went on to say that Signor Mussolini might now wish to publish an Italian document, and I explained that foreseeing this we had asked you to inform Signor Mussolini of the position. I added, however, that I thought the best course would be for no one to publish anything until after Hitler's speech on Tuesday, and I hope Signor Mussolini will agree. If Signor Mussolini desires to publish after Hitler's speech we should be careful to give him time to do so before publishing ourselves. The time, however, is likely to be short for we must communicate the contents of our document confidentially to Paris as well as to Rome at the same time as we deliver it to Hitler.

<sup>1</sup> No. 203.

<sup>2</sup> January 30. A message from Berlin, published in 'The Times' on January 26, announced that the Reichstag had been summoned to meet on January 30, the first anniversary of Herr Hitler's Chancellorship, 'to receive a Government declaration'. In a telephone message from Berlin (6.25 p.m., January 26) Sir E. Phipps reported that 'according to present arrangements' the Chancellor would speak shortly after 3 p.m. on Tuesday and that his speech seemed likely to include a review of the achievements of the German Government at home and abroad, a declaration on Reich reform, and a reference to disarmament.

*Sir J. Simon to Mr. Campbell (Paris)*

*No. 154 [W 975/1/98]*

FOREIGN OFFICE, *January 26, 1934*

Sir,

I transmit to you herewith two copies of a memorandum on disarmament<sup>1</sup> setting forth the considered views of His Majesty's Government. You will observe, from study of it, that it is an endeavour to expound, after careful consideration of the various communications that have passed between the French, German and Italian Governments and His Majesty's Government during the past three months, the manner in which, through a limited number of adjustments of the Draft Convention of last March, a prompt and just settlement of the disarmament problem can be attained.

2. His Majesty's Government are well aware that the proposals contained in this memorandum are not proposals which any Government would necessarily consider ideal from their own point of view. His Majesty's Government, if they had their own interests alone to consider, might have made different proposals. But the proposals contained in the memorandum are those which, after long and careful consideration and after close study of the recent diplomatic exchanges, they hold are the most likely to form the basis of an agreed convention at the present moment. Any attempt, therefore, to alter them in one paragraph or another, in one direction or another, would only be likely to have the effect of destroying the basis of agreement which His Majesty's Government have endeavoured to find.

3. In this connexion I do not wish you to understand that His Majesty's Government are treating the French and German Governments as two contentious parties between which they have the right to propose the half-way course. Careful study of the memorandum will show you that that is not the proper way to regard it. What His Majesty's Government have prominently kept in view is the necessity of arriving at agreement for the next ten years in such a way as to strengthen forces making for peace, whether in regard to armaments generally or in regard to the stabilisation of political relations. Among the many considerations that have been foremost in their mind none has been more important than the necessity of safeguarding the interests of France. There is no country with whom Great Britain is so closely linked by every consideration, both moral and material, as France. There is no country with whom it is more necessary, from every point of view, that Great Britain should work in the closest co-operation. His Majesty's Government believe the French Government will share the view expressed in the memorandum that of all the solutions of the disarmament problem, the worst would be a completely unregulated and intensive recourse to competition in armaments. They are fully aware of the strong opposition which has manifested itself continuously in France to the prospect of even

<sup>1</sup> See No. 206.

the partial rearmament, as it is called, of Germany. Such a prospect His Majesty's Government view with a distaste equal to that felt by the French Government, but they feel that on this matter a sharp line must be drawn between theoretical preferences and the logic of facts. If there is no disarmament convention, Germany will rearm entirely as she likes. It may be that this is the intention of the German Government in any case. Sooner or later the intentions of Germany in regard to this vital matter must be put to the test. It is essential that the terms put to her should be such as could fairly be regarded as reasonable if this test is to achieve its purpose. If she rejects such terms the world will know what her real intentions are.

4. It is with this object in view that the enclosed memorandum has been drafted. It is the intention of His Majesty's Government to communicate the memorandum within the next few days through the diplomatic channel to all Governments represented at the Disarmament Conference, and particularly to those Governments with which they have been in the closest contact. The French Government will understand, after the explanations you will be able to give them on the basis of the preceding paragraphs, that it would not be possible for His Majesty's Government, who have arrived at these views after careful and intensive consideration of the views of the other chief Governments concerned, to alter the conclusions as to the right line of a disarmament settlement to which they have been led without defeating its object. They do not shirk the responsibility of making what they conceive to be the right proposals, and they would regard it as unfair to attempt to shift the responsibility on to the shoulders of others. At the same time, they are perfectly aware of the obvious truth that it is only with the agreement of all that a convention can be attained. They therefore communicate their proposals to other Governments in the cordial hope that those Governments, after full consideration of them, will be able to see their way to adopting them as the basis of settlement which the world needs and desires.

5. You will observe that the memorandum is not addressed to any Government in particular. In the near future it may be thought well to publish it. I will explain to the House of Commons on Monday<sup>2</sup> that the document has been sent to His Majesty's Representatives abroad for communication to the Governments to which they are accredited. There may be certain amendments to be made in the text which I am now transmitting to you. For the moment, therefore, I do not wish you to take any action; but within the next day or two I hope to be in a position to give you instructions to seek an urgent interview with the Minister for Foreign Affairs and to hand him a copy of this memorandum. You will know best in exactly what language to represent to him considerations which have moved His Majesty's Government to the composition of it, and to ask that the French Government shall not lightly and inadvisedly reject what seems to His Majesty's Government the only possible practical basis for the prompt achievement of a disarmament convention. Apart from other considerations, His Majesty's Government have been compelled by the request or challenge

<sup>2</sup> January 29.

contained in the German Government's communication of the 19th January to make a concrete statement of their views, and they earnestly trust that the French Government will see their way to giving as full co-operation as possible to His Majesty's Government's effort to bring about, through an agreed convention, a basis of lasting peace.

I am, &c.,  
JOHN SIMON

No. 210

*Sir J. Simon to Mr. Campbell (Paris)*

*No. 156 [W 964/198]*

FOREIGN OFFICE, *January 26, 1934*

Sir,

In the course of our interview this afternoon I told M. Corbin that, after receiving the German replies of the 19th instant to France and ourselves, we had been reviewing the present situation of disarmament negotiations as a whole and had been engaged in formulating our own views as to the best basis of settlement. We felt strongly that it was useless for any Power to confine itself to urging the solution which it would regard as in all respects satisfactory, and that the grave consequences of a breakdown could only be avoided by using the recent exchanges of view to provide the best basis of practical settlement. We had not completed our memorandum and had not determined whether, or when, it might be published. If we did decide to publish we should, of course, let the French Government know of its contents before doing so. The announcement that Chancellor Hitler was going to make a speech in Berlin on Tuesday<sup>1</sup> was a new fact which might complicate the situation. The French Government might take it that in any event we should make no announcement in advance of the Berlin declaration, which, indeed, might be more concerned with Austria than with the details of disarmament. I told the Ambassador that we had very fully in mind the anxieties and *desiderata* of our French friends, and strongly agreed with them that the solution could not be pure rearmament. We had been anxiously considering the topic of security, and I thought that on this head our document might go rather further than the Draft Convention, although France realised the necessary limitations to what we could promise. I impressed on the Ambassador that the view of His Majesty's Government essentially was that a signed agreement, even though not in all respects what we would wish, which set definite limits and was sufficiently guaranteed as to its due observance, was much to be preferred to the only practicable alternative, which was nothing but unrestricted and uncontrolled rearmament in all quarters.

I am, &c.,  
JOHN SIMON

<sup>1</sup> January 30.

No. 211

*Sir J. Simon to Sir E. Drummond (Rome)*

*No. 87 [W 963/1/98]*

FOREIGN OFFICE, *January 26, 1934*

Sir,

Signor Grandi came to see me this afternoon to make an enquiry about our intentions relating to disarmament. He said that Signor Mussolini had observed statements in the London press suggesting that His Majesty's Government were contemplating issuing a declaration of their views. He wished to remind me that at our Rome interviews of the 3rd and 4th January Signor Mussolini had, at my request, abandoned the idea of immediately publishing his own document in order to give me time to consult the British Cabinet. He would like to know whether it was the fact that we were intending ourselves to make an announcement, as in that event he (Signor Mussolini) might desire to publish his own document without further delay.

2. I told the Ambassador that we had yesterday telegraphed to you requesting you to see Signor Mussolini without delay on the subject.<sup>1</sup> Our request to Signor Mussolini to withhold publication extended only to the time when the German replies to France and ourselves were delivered on the 19th January (Signor Grandi confirmed this), and we had, therefore, been awaiting the intimation which Signor Mussolini had promised to give us before any Italian publication was made. No such intimation had been given, and in the meantime we had been studying the contents of recent interchanges from every point of view, and had come to the conclusion that we ought ourselves to formulate a statement of our views. This we had done, though the text was not finally settled. I emphasised that we had not decided upon publication, and were inclined to think that, in the first instance, we should place our views before Chancellor Hitler for his consideration. We should, of course, give the Italian and French Government confidential information at the same time. The question whether and when we make public our memorandum had still to be decided, though it might be that we should feel we had to do this fairly promptly.

3. I added that the decision as to the best procedure was now somewhat complicated by the announcement that the German Chancellor would be making a declaration on German policy on Tuesday. I could tell Signor Grandi definitely, in any case, we did not intend to publish our memorandum before this Berlin pronouncement. It was probable, however, that when the House of Commons met on Monday I should have to make a statement to the effect that we had been formulating our point of view, and were communicating it to our Ambassadors abroad for the information of the Governments chiefly concerned. As regards the question of subsequent publication, we should in any event let Signor Mussolini know in advance the contents of our document, and, at the same time, inform the French.

<sup>1</sup> See No. 203.

4. I gave the Ambassador the substance of my telegram No. 34,<sup>2</sup> and in particular explained that we were asking you to consult Signor Mussolini as to the inclusion of a sentence in which would be ascribed to him the authorship of the suggestion that, as a condition of settlement, Germany must return to the League of Nations. Signor Grandi expressed himself as extremely appreciative of our scruples on this matter, which he was sure Signor Mussolini would also warmly recognise. As you had already been given instructions and would be carrying them out promptly, Signor Grandi saw no advantage in sending a message about the details himself, but I suggested to him that he might report to Signor Mussolini that, in my view, the best course would be for nobody to make a further publication before Chancellor Hitler's speech was known. Signor Grandi asked whether, if this suggestion was adopted, we should still leave time after the Berlin pronouncement for Signor Mussolini to publish his document first if he so desired. I replied that we certainly should not think it right to jump the claim, and that the best course would be, since each of us had undertaken to give previous notice to the other, to consult together as to the order of publication, if necessary, later on.

5. Signor Grandi told me that he had reported to Signor Mussolini, after his previous interview with me (see my despatch No. 59 to Rome),<sup>3</sup> that he gathered that His Majesty's Government was in substantial agreement with Signor Mussolini's views on most points, but that they strongly pressed for proposals which would include some disarmament. I said that we certainly did so, and that it seemed to me that it would be very unfortunate if Italy came out with a declaration that it was clear no one would disarm when we wanted to urge a bolder if somewhat sanguine course.<sup>4</sup>

I am, &c.,

JOHN SIMON

<sup>2</sup> No. 203.

<sup>3</sup> No. 184.

<sup>4</sup> There is no record in the Foreign Office archives of the date on which a copy of the disarmament memorandum was sent to Rome. See, however, No. 217, note 3.

## No. 212

*Letter from Sir J. Simon to Sir E. Phipps (Berlin)*

[General 349/5]

FOREIGN OFFICE, January 26, 1934

My dear Phipps,

You are receiving by this bag a document called 'Memorandum on Disarmament'<sup>1</sup> which represents a great deal of intense work since we received the German reply to us of the 19th and a copy of their reply to the French of the same date. We feel that the time has come to make known, either privately to Hitler or perhaps even publicly to the world, the views which we

<sup>1</sup> No. 206.

have been led to form as to the fairest and most hopeful line of compromise now that the attitude of France, Germany and Italy is known. The House of Commons meets on Monday and our newspapers are already saying that I shall be making a full statement on disarmament. Undoubtedly there is a widespread opinion here that it is time that the British Government made plain their view. You may take it as pretty certain that the document (with, it may be, small corrections) will be made public in a very short time. The difficult question is to decide

- (a) whether it should be given to Hitler privately in the first instance, in order to have its reaction upon him in the first place, and should only be published some time later, or
- (b) whether it should be published contemporaneously with its delivery to Hitler.

I quite realise that you may feel disposed to favour course (a), but you may be sure that if we decide on course (b) we have very definite and overwhelming reasons for preferring it. For example, we must let the French and Italians see our document confidentially about the time when we hand it to the Germans, and if there is much delay after that before it is made public, we must expect that Paris will be disposed to raise objections, or at any rate to leak. On the other hand, our main object throughout is to give ultimate agreement the best possible chance. We must at all costs adopt the course which helps agreement, however slender the chance of agreement is. I wonder whether Hitler is more likely to be influenced by the fact that we approach him privately in the first instance instead of taking our public stand straight away. It is, however, becoming increasingly clear that time is on Germany's side and the private communication may lead to much further delay with more notes exchanged, without any intention on the part of Germany to agree in the end. And all the time her rearmament preparations advance. Moreover, it is only by publication that we can get public opinion to pronounce in favour of a sane compromise.

All this is a good deal complicated by the news which reached us this morning that Hitler intends to make a speech or a Government declaration on Tuesday.<sup>2</sup> My present feeling is that we must get our document into his hands and before his mind *before* his declaration is finally settled. Whether we should publish it before he speaks or afterwards is another matter, but I see no way of avoiding publication at latest after he has spoken.

I am afraid we are giving you a very busy week-end, but we shall be busy too.

The bag is just going.

With kind regards,

JOHN SIMON

<sup>2</sup> See No. 208, note 2.



*Sir J. Simon to Sir E. Drummond (Rome) and Mr. Campbell (Paris)*

*No. 42<sup>1</sup> Telegraphic [R 562/37/3]*

FOREIGN OFFICE, *January 27, 1934, 1.30 a.m.*

His Majesty's Government are deeply concerned with the development of the Austrian situation. The Austrian Minister has communicated to them a copy of the *aide-mémoire*<sup>2</sup> handed to the German Government on January 17 and I presume that copy is already in the hands of the Italian (French) Government. The *aide-mémoire* alleges that actual terrorism in Austria is being encouraged by German Nazis and insists that German Government cannot disclaim responsibility. It further contains threat that unless the German Government takes prompt and complete measures to stop these machinations, Austria will seriously consider making an appeal to the League of Nations under Article 11 of the Covenant. The Austrian Minister has further enquired whether, in such an event, his Government could count on the support of His Majesty's Government. Has a similar enquiry been made of the Italian (French) Government? On this point our general view would be that while we cannot promise support before we know the circumstances in which Austria's appeal will be presented, on the other hand we have no intention of discouraging Austria from going to Geneva if she considers her vital interests require it.

The threat to appeal to the League of Nations, whether it is carried out or not, is a symptom of a far bigger crisis, namely, the now imminently possible disintegration of Austria. His Majesty's Government are anxious to know what course Italian (French) Government, *as the Power more directly interested than any other in the maintenance of Austrian independence*, (words underlined<sup>3</sup> sent to Rome only) considers in the circumstances most likely to produce the effect which we all desire. I cannot refrain from recalling that last summer the Italian Government, by their attitude, rendered unavailing the policy of joint representations at *Berlin*. I do not wish to repeat that experience, and I do not therefore suggest that course at the present time, particularly as it is clear from your (Rome) telegram No. 26<sup>4</sup> just received that the Italian Government are as averse from joint action as ever. (I cannot of course on the other hand accept the curious arguments by which Signor Suvich endeavours to urge separate action.) An appeal to *Geneva* however would place the Powers under an immediate obligation to define their attitude, and whether that appeal materialises or not, it seems incumbent on them to consider without further delay whether there is anything they can do to prevent the possible collapse of Austria. As the German answer will be received probably early next week, a speedy exchange of views is clearly required. I naturally do not expect any definite expression of view from the Italian (French) Government until the German answer is received—or when it should become clear that the German

<sup>1</sup> No. 42 to Rome; No. 29 to Paris.

<sup>3</sup> Printed here in italics.

<sup>2</sup> See Appendix I to No. 201.

<sup>4</sup> No. 205.

Government do not intend to reply at all. It would, however, clearly be undesirable that our Governments should be taken unawares.

You should speak in this sense to the Italian (French) Government at the earliest possible moment, explaining that His Majesty's Government do not wish to follow any line which would be distasteful to the Italian (French) Government, and are therefore anxious to have their general impression of the situation. You should, if necessary, appeal to the Lausanne Declaration of July 13, 1932,<sup>5</sup> as a justification for asking for this exchange of views before the matter has come before the League.

You should explain that I am also consulting the French (Italian) Government.

Repeated to Berlin and Vienna.

<sup>5</sup> See Volume III of this Series, No. 189.

#### No. 214

*Sir E. Phipps (Berlin) to Sir J. Simon (Received January 27, 11.20 a.m.)*

*No. 38 Telegraphic: by telephone [W 965/1/98]*

BERLIN, January 27, 1934

Your telegram No. 19<sup>1</sup>

So far as I can learn from Private Secretary of Chancellor he does not contemplate making any sensational declaration on January 30. Time, it is stated, is definitely on Germany's side. Why therefore should Chancellor force the pace meanwhile.

Chancellor is apparently gratified with recent developments generally and particularly with the fact that the two recent 'Times' articles on German rearmament have not aroused any storm in England.

Furthermore the signature of Polish Declaration<sup>2</sup> frees his hands considerably and enhances his prestige.

Reichstag speech will, it is stated, deal mainly with internal affairs notably with unification of the Reich.

It must of course be borne in mind that Chancellor is a law unto himself but above information is based on present state of his notes for Reichstag speech.

<sup>1</sup> Not printed. This telegram of January 26 asked urgently for information regarding the probable nature of Herr Hitler's forthcoming speech. For Sir E. Phipps's telephonic reply on January 26, see No. 208, note 2.

<sup>2</sup> See No. 219.

**No. 215**

*Sir E. Phipps (Berlin) to Sir J. Simon (Received January 27, 11.35 a.m.)*

*No. 39 Telegraphic: by telephone [W 966/1/98]*

BERLIN, *January 27, 1934*

Your letter of January 26.<sup>1</sup>

I fully appreciate objection to delay involved by awaiting reaction of German and other Governments.

From the German angle, course I should advocate is that I should be instructed to communicate declaration to the Chancellor as early as possible on Monday<sup>2</sup> informing him at the same time of proposed time of publication which might be Monday afternoon.

Above is of course on the assumption that you will therefore issue declaration before Chancellor's speech on Tuesday.

Chief German objections to our proposals will probably be to their remaining disarmed in the air for two years and to their suggested return to Geneva without equality of rights in that sphere.

<sup>1</sup> No. 212.

<sup>2</sup> January 29.

**No. 216**

*Sir J. Simon to Sir E. Phipps (Berlin)*

*No. 24 Telegraphic [W 966/1/98]*

FOREIGN OFFICE, *January 27, 1934, 3.0 p.m.*

My despatch No. 100.<sup>1</sup>

It would be well for you to make request at once to see German Chancellor on Monday afternoon. I will telegraph to you tomorrow (Sunday) night instructions as to what you should say in this interview. I intend to inform House of Commons about 4 o'clock on Monday that His Majesty's Government after careful study of recent diplomatic exchanges have formulated their views on disarmament question and that their memorandum has been despatched to His Majesty's Ambassadors for communication to the Governments chiefly concerned. If asked I shall say that this document will be published but shall decline to state on what date. For your own information I may add that in any case we do not propose to publish till after Hitler's Tuesday speech.

<sup>1</sup> No. 207.

No. 217

*Sir J. Simon to Sir E. Phipps (Berlin)*

*No. 25 Telegraphic [W 612/1/98]*

FOREIGN OFFICE, *January 27, 1934, 3.55 p.m.*

My despatch No. 100.<sup>1</sup>

Please make the following alterations in the memorandum on disarmament<sup>2</sup> enclosed in my despatch under reference:—

Paragraph 2: second line: substitute 'plain' for 'public'.

Paragraph 6: delete from 'quantities of rifles' in line 4 down to 'Versailles' in following line and substitute therefor 'larger quantities of such weapons as she is already entitled to possess'.

Paragraph 6: line 7: add 'of rights' after 'equality'.

Paragraph 13 (a): delete line 13 and substitute 'average daily effectives stationed in the home country for France, Germany, Italy and Poland'. Substitute for line 16: 'in these effectives between the four countries. They are aware that'.

Paragraph 13 (a), sub-paragraph 3: after word 'entail' substitute 'a considerable reduction' for 'the reduction' and delete words 'by approximately 50,000 men'.

In following sub-paragraph, third line, insert 'such' before 'training' and in fourth line 'this' instead of 'such' before 'prohibition'.

Paragraph 14 (b) third sentence should read 'They would emphasise that, under the Convention, prohibition as to the possession of anti-aircraft guns would disappear'.

Paragraph 20: line 2: for 'publishing' substitute 'presenting'.

Paragraph 20: end of first sentence should read: 'could and should now be reached'.

Date at foot should be January 29.<sup>3</sup>

<sup>1</sup> No. 207.

<sup>2</sup> See No. 206.

<sup>3</sup> This telegram was not repeated to Paris and Rome. It therefore seems likely that the copies of the disarmament memorandum sent to these capitals already incorporated these amendments.

No. 218

*Sir E. Drummond (Rome) to Sir J. Simon (Received January 27, 7.30 p.m.)*

*No. 27 Telegraphic [W 969/1/98]*

ROME, *January 27, 1934, 6.25 p.m.*

I saw Signor Mussolini in the presence of Signor Suvich this morning and discussed with him disarmament questions raised in your telegrams Nos. 34<sup>1</sup>

<sup>1</sup> No. 203.

and 41.<sup>2</sup> Referring to paragraph 10 of former, although Signor Mussolini first said that he would have no objection to inclusion of a sentence such as your [you]<sup>3</sup> suggest, on condition that you also explained the whole of his plan, he later came to the conclusion that it would be preferable that any declaration of Italian point of view would [should]<sup>3</sup> come from Italian Government and that therefore reference to his initiative concerning Germany's resumption of her place in the League should be omitted.<sup>4</sup> He agreed that it was desirable that no public statement should be made either in London or Rome till we had knowledge of German Chancellor's speech on Tuesday.

2. As soon as we learnt the nature of this speech we could consider matter . . .<sup>5</sup> as regards British and Italian statements and whether they should be issued more or less simultaneously. He suggested that you might care to add to your proposed short declaration in Parliament on Monday that you would publish statement of views of His Majesty's Government after contents of German Chancellor's speech were known. He was most anxious there should be no conflict between British and Italian standpoints. Although French and German Governments had been informed of main points of memorandum he had given you they had no knowledge of arguments on which they were based nor of the details.

3. He had been greatly impressed by agreement reached between Poland and Germany and considered that unless there were some reservations mental or otherwise on Germany's part (he repeated his belief that Hitler's intentions were pacific) a real danger point had been removed from European situation. He mentioned in particular the Corridor. He added we must also have at least some faith in Hitler's assurances in regard to disarmament. What else was there to do except to take sanctions and no one was today prepared for such action.

4. He realised the French would not like his proposals but he did not think the Germans would either, since as a counterpart to acceptance of Hitler's conditions he advocated not only transformation of Reichswehr and permanent control but also return of Germany to the League.

5. I reminded him that in your conversations here you had strongly emphasised that His Majesty's Government greatly preferred a reduction of armaments to a plan involving no reduction in forces of the highly armed Powers coupled with acceptance of the German proposals as they stood. He said he too still preferred the former but was convinced the French Government and General Staff would never consent to any reduction whatever since French opinion was today terrified of Germany. His memorandum contained a paragraph showing that preference. He [I]<sup>3</sup> remarked this might be so but enquired whether it might not be better to give the point a more promi-

<sup>2</sup> No. 208.

<sup>3</sup> This word was in a later copy of the telegram.

<sup>4</sup> H.M. Ministers at Paris, Berlin, and Rome were instructed by telegram on January 28 to make the following alteration in paragraph 20 of the disarmament memorandum (No. 206): 'omit sentence beginning "Signor Mussolini" and ending "once more in the League of Nations".'

<sup>5</sup> The text as originally received was here uncertain. A later text read: 'we could consider matter of priority as regards . . .'.

nent position in order to underline the fact that this was what the Italian Government stood for in the first place and that the other proposals were in the nature of a second postulate. He asked whether it would not be practicable for His Majesty's Government to communicate to him as soon as possible the main points of the British document so that Italian statement could be adapted if necessary and . . .<sup>6</sup> to the principles they contained. He expressed his most earnest desire to work with us and agreed that our fullest collaboration was essential.

Repeated to Berlin.

<sup>6</sup> The text as originally received was here uncertain. A later text read: 'if necessary and possible . . .'.

## No. 219

*Sir E. Phipps (Berlin) to Sir J. Simon (Received January 29)*

*No. 111 [C 676/138/18]*

BERLIN, *January 27, 1934*

Sir,

With reference to my telegram No. 264<sup>1</sup> of the 18th November last, I have the honour to inform you that on the 26th January the Minister for Foreign Affairs and the Polish Minister in Berlin signed a declaration by which the German and Polish Governments undertake to settle by direct agreement all questions of whatever sort that may arise between them.

2. You will recall that the declaration which was issued on the 15th November in Berlin and Warsaw stated that it was the intention of the German and Polish Governments to get to grips with questions affecting the two countries by direct negotiation and, in the interests of consolidating European peace, to renounce any use of force in their relations with each other. As a result negotiations were begun between the two Governments with a view to embodying this intention in a binding written agreement on the subject of the future relations between the two countries. These negotiations have now been terminated by the conclusion of a declaration, the text<sup>2</sup> of which runs as follows:—

'The German Government and the Polish Government consider that the time has come to introduce a new phase in the political relations between Germany and Poland by a direct understanding between State and State. They have, therefore, decided to lay down the principles for the future development of these relations in the present declaration.

'The two Governments base their action on the fact that the maintenance and guarantee of a lasting peace between their countries is an essential pre-condition for the general peace of Europe.

'They have therefore decided to base their mutual relations on the principles laid down in the Pact of Paris of the 27th August, 1928, and

<sup>1</sup> Not printed. See No. 59, note 1.

<sup>2</sup> The text is also printed in *British and Foreign State Papers*, vol. 137, pp. 495–6.

propose to define more exactly the application of these principles in so far as the relations between Germany and Poland are concerned.

'Each of the two Governments therefore lays it down that the international obligations undertaken by it towards a third party do not hinder the peaceful development of their mutual relations, do not conflict with the present declaration and are not affected by this declaration. They establish, moreover, that this declaration does not extend to those questions which under international law are to be regarded exclusively as the internal concern of one of the two States.

'Both Governments announce their intention to settle directly all questions of whatever sort which concern their mutual relations.

'Should any disputes arise between them and agreement thereon not be reached by direct negotiation, they will in each particular case, on the basis of mutual agreement, seek a solution by other peaceful means without prejudice to the possibility of applying, if necessary, those methods of procedure in which provision is made for such cases in other agreements in force between them. In no circumstances, however, will they proceed to the application of force for the purpose of reaching a decision in such disputes.

'The guarantee of peace created by these principles will facilitate the great task of both Governments of finding a solution for problems of political, economic and social kinds, based on a just and fair adjustment of the interests of both parties.

'Both Governments are convinced that the relations between their countries will in this manner develop fruitfully and will lead to the establishment of a neighbourly relationship which will contribute to the well-being not only of both their countries but of the other peoples of Europe as well.

'The present declaration shall be ratified and the instruments of ratification shall be exchanged in Warsaw as soon as possible.

'The declaration is valid for a period of ten years reckoned from the day of the exchange of the instruments of ratification.

'If the declaration is not denounced by one of the two Governments six months before the expiration of this period, it will continue in force but can then be denounced by either Government at any time on notice of six months being given.

'Made in duplicate in the German and Polish languages.

Berlin, January 26, 1934

'For the German Government: (Sgd.) Freiherr von Neurath,

'For the Polish Government: (Sgd.) Josef Lipski.'

3. All newspapers emphasise the importance of this agreement. The 'Völkischer Beobachter' hails it as the first great success of the new European statesmanship and claims that it is of the highest importance not only for German-Polish relations, but for all peoples alike. The 'Vossische Zeitung' enquires whether the conclusion of the agreement may not have considerable

influence on the present disarmament negotiations. It states that the other Powers drew back from the MacDonald Plan because they believed Germany to be a disturbing element in Europe. Now that Germany has concluded a pact with the neighbour with whom she had most questions at issue this reproach can no longer be brought against her, and the way therefore lies open for further disarmament negotiations. The agreement is based, not on the Covenant but on the Kellogg Pact, but as the 'D.A.Z.' points out it differs fundamentally from the latter in that its kernel is the determination which it expresses to conclude agreements directly between the parties concerned. A renunciation of warlike disputes follows naturally when Germany and Poland both sit at a round table and, in the present political situation created by the Peace Treaties, the exclusion of third parties means that the danger of war is notably lessened. Several newspapers draw attention to the original form which this agreement takes, but point out that the provision for ratification by both parties means that the agreement will have the validity of a solemnly concluded treaty.

4. I am sending a copy of this despatch to His Majesty's Ambassador at Warsaw. -

I have, &c.,  
ERIC PHIPPS

## No. 220

*Mr. Campbell (Paris) to Sir J. Simon (Received January 28, 9.30 a.m.)*

*No. 14 Telegraphic [W 968/1/98]*

PARIS, January 28, 1934, 4.10 a.m.

M. Léger told me this evening<sup>1</sup> that he understood from French Ambassador in London that His Majesty's Government might shortly make some fresh disarmament proposals and that if they did they would inform French Government of them a short while before publication. He strongly deprecated this course. He thought psychological reaction in this country would be bad and recalled lamentable effect produced by sudden springing on the world [of] the Hoover moratorium proposals.

I said if His Majesty's Government were to decide to put forward proposals which in that case would presumably take the form of an adjustment of Draft Convention of last March it would be with a last hope of reconciling divergent views and that it would therefore be clearly futile to endeavour to obtain in advance concurrence of any individual Government as each would feel bound to maintain its present position. M. Léger replied that he did not suggest there should be any negotiations. All he asked was that French Government should be given opportunity and time to indicate which parts of our proposals were acceptable to them and which parts were not. Failing that they would rather be given no previous notice. His Majesty's Govern-

<sup>1</sup> This telegram was drafted on January 27.



ment would then bear, as was only just, sole and full responsibility of launching proposals, while each other Government would bear sole and full responsibility [for] whatever attitude it adopted towards them. I said no more as I did not want to be drawn into further discussion.

I fail to see any advantage in affording the French Government opportunity to express themselves unless it were with a view to seeking their concurrence which I still think would lead to no result. The object of M. Léger's idea may<sup>2</sup> only be to throw on to His Majesty's Government the responsibility of putting forward proposals known by them *in advance* to be unacceptable to France. I see no reason to fall in with this (? design).<sup>3</sup>

I still think procedure you propose to adopt is the only hope though a genuinely slender one of securing French acceptance. I also adhere to the opinion that brief notice should be given as I hope that a little reflection after explanations which I am instructed to give may bring French Government to realise that they would do well not to reject our proposals lightly. If that be their action<sup>4</sup> they will be able to give necessary guidance to the press which otherwise would certainly be hostile thus making the Government's position more difficult. In the converse case we should lose nothing. Hoover moratorium does not seem to me a true parallel. See my immediately following telegram.<sup>5</sup>

<sup>2</sup> In the confirmatory copy of the telegram received later by bag this word read: 'can'.

<sup>3</sup> The text as originally received was here uncertain. The later text read: 'with this design.'

<sup>4</sup> The later text here read: 'If that be their conclusion'.

<sup>5</sup> Not printed. In this telegram of January 28 Mr. Campbell pointed out that the British proposals could not be presented until there was a new French Government, and recommended that the proposals should be held up until the situation in Paris was clearer. M. Chautemps's Government had resigned on January 27.

## No. 221

*Mr. Campbell (Paris) to Sir J. Simon (Received January 28, 9.30 a.m.)*

*No. 13 Telegraphic [R 572/37/3]*

PARIS, January 28, 1934, 4.20 a.m.

Your telegram No. 29.<sup>1</sup>

Government having fallen early this afternoon<sup>2</sup> I delivered your communication to Secretary-General of Ministry of Foreign Affairs this evening. The following is the result of my enquiries.

French Government have received no communication similar to that delivered by the Austrian Minister in London doubtless because a similar enquiry was made orally of M. Boncour by Austrian representative at recent meeting of the Council. France is not actively encouraging Austria to appeal to the League but is not discouraging her and M. Boncour even went so far as to promise French support if Austria decided that she

<sup>1</sup> No. 213.

<sup>2</sup> This telegram was drafted on January 27.

must take that course. Reasons which determined M. Boncour to regard appeal to the League as the best method of dealing with this question are the following:

French and British Governments in their notes to Germany last summer indicated that in their view correct procedure in such case was an appeal to the League of Nations but that in order to enable Germany to settle the question without recourse being had to that procedure they were adopting method of direct appeal through diplomatic channels. That appeal having failed it would be futile as well as undignified to repeat it and the only course left was appeal to the League. . . .<sup>3</sup> may be invidious in the present circumstances for the Powers to take the initiative. If Austria takes it situation will be less embarrassing.

Secondly, it is not so very long ago that the Powers had occasion to remind Austria of her obligation to preserve her independence. They would be inconsistent were they now to do anything to restrain her from taking the only course left to secure that end. They would also seriously weaken their position if present scare blew over and Anschluss became an imminent danger at some future date.

Thirdly, French fear effect on general European situation of any unauthorized military intervention designed to fortify Austrian resistance to German domination. Existence of secret arrangement for passage of Italian troops makes that danger a real one viewed in the light of Signor Mussolini's determination to prevent Anschluss at any cost. If there were an entry of Italian troops the other neighbours of Austria might feel obliged to follow suit and the whole of Central Europe would be in a blaze. If military intervention eventually became necessary after appeal had been made to Geneva it could at least be circumscribed under the League of Nations control.

In French view the two most urgent considerations are (1) to evade immediate direct clash between the Powers and Germany, (2) to obviate risk of isolated Italian action. Appeal to the League will in some measure do both inasmuch as it will decentralise the dispute and bring its further development under the League control.

They do not fear the strain which may be imposed on the League of Nations. On the contrary they think that an appeal by Austria, in which she were supported by the Powers would serve as a salutary warning to Germany and show her that the Powers if pushed beyond a certain point are still capable of united and resolute action. An appeal to Geneva on this (by comparison) minor issue may serve as a useful precedent in the solution of issue<sup>4</sup> with which Europe may soon be confronted.

M. Léger said he hoped the two Governments would continue to keep in close touch on this question.

Repeated to Berlin, Rome and Vienna.

<sup>3</sup> The text is here uncertain. In the confirmatory copy of this telegram received later by bag the text read: ' . . . League. It might have been invidious'.

<sup>4</sup> The later text here read: 'useful precedent in the major issue'.

*Sir E. Drummond (Rome) to Sir J. Simon (Received January 28, 2.50 p.m.)*  
*No. 30 Telegraphic [R 573/37/3]*

ROME, January 28, 1934, 1.45 p.m.

Your telegram No. 42.<sup>1</sup>

I saw Signor Suvich yesterday evening and put before him points you raised. He told me that Italian Government had received copy of Austrian *aide-mémoire* to Germany and that enquiry similar to that made by [*sic* ? to] you had been addressed to them. As I developed arguments set out in your telegram he said that threat of an appeal to the League was not the only or gravest symptom of Austria's present danger; but he still had hope that Herr Dollfuss might win through despite the fact that while a year ago proportion of Nazis in Austria was only 25 per cent. it was not less today than 50 per cent. of the population.

2. There were two possibilities: an external danger to Austria and internal problem. As to first, speaking personally since what he said in this respect could not be considered as an inter-governmental communication the most satisfactory thing might be an invasion by German Nazis of Austrian territory. If this happened Italy, Czechoslovakia and Yugoslavia would react energetically and would either threaten to or in fact send troops unless invaders retired. A withdrawal would take place and an effective peace in Austria could then be secured for a considerable time.

3. External danger was not however likely to materialise. Germany had played her cards with great skill and had encouraged and helped Austrian Nazis in every way. It was true that Austrian Nazi movement without German support would have little if any success but Germany could plausibly represent it as a purely Austrian affair. If this were so could appeals to international law etc. be of any utility since German answer would be that this was solely a matter for Austrian people and any interference was unconstitutional. The whole problem was most difficult. If we supported Dollfuss either by separate or joint representations in Berlin he feared that effect in Austria might be the opposite to that which we all desired as it could easily be represented as anti-Germanic movement. At the same time Italy was most anxious that a Nazi régime should not be established in Austria as the result must ultimately be that Austrians would be in a comparatively short time, even if no technical 'Anschluss' took place, an outlying though formally detached part of Germany.

4. I said that I understood his difficulty but in view of the fact that Italy was the Power most interested in preserving a real Austrian independence what did he think ought to be done. He replied that he believed the best course for the moment would be a declaration in our Parliament that we attached the greatest importance to a real Austrian independence (I think he would like some recognition made of Austria's Germanism) and that we

<sup>1</sup> No. 213.

strongly objected to interference by any foreign Power in Austrian internal affairs which should be allowed to develop freely as Austrians themselves thought best. At the same time he urged that we should state that we would do what we could to help Austria (? economically).<sup>2</sup> He had been studying this afternoon what Italy could do in this direction, he thought such a declaration would be preferable to representations in Berlin or in Vienna.

5. Reverting to question of an eventual appeal by Austria to the League he said that if such an appeal were made he trusted we should fully support Austria. Italy would certainly do so. I replied that I felt convinced that if the case was a good one His Majesty's Government would do the same though they were not willing to give an unconditional promise without knowing fully the circumstances. My French colleague who saw Signor Suvich just after me told me Signor Suvich had assured him that Italy would not discourage Austrian appeal to the League and that if made they would give Austria their full support.

6. Signor Suvich assured me very earnestly that question of Austria was causing him as much preoccupation as if it were his own country which was at stake. He knows Austria well and understands its mentality and whatever opinion may be held as to his methods his aim is certainly the same as ours. He emphasises that the whole question turns on an internal struggle, that the Dollfuss party accuse Nazis of being traitors because they wish to surrender Austria to Germany and the Nazis, Dollfuss, for seeking aid of non-Germanic Powers. Therefore any action must be weighed in the light of what encouragement it would afford to these accusations. He again said that he believed Dollfuss would gain much in popular opinion if he replaced Socialist administration of Vienna by a Government Commissioner.

Repeated to Paris, Berlin and Vienna.

<sup>2</sup> The text is here uncertain.

## No. 223

*Sir J. Simon to Sir E. Phipps (Berlin)*

*Nos. 27 and 28 Telegraphic [W 978/1/98]*

FOREIGN OFFICE, *January 28, 1934, 6.40 p.m.*

My telegram No. 24<sup>1</sup> and your telegram No. 43.<sup>2</sup>

At the interview with the German Chancellor which you have arranged for Monday I request that you will begin your conversation by congratulating the Chancellor on the conclusion of the Non-aggression Pact with Poland. His Majesty's Government have not yet officially received the exact text of this Agreement, but so far as they are aware of its contents their first impression is one of great satisfaction that there seems a prospect for ten years to

<sup>1</sup> No. 216.

<sup>2</sup> Not printed. This telegram of January 28 reported that Sir E. Phipps would have an interview with Herr Hitler on January 29 at 1.0 p.m.

come of good neighbourly relations between Germany and Poland which would indeed be of benefit not only to those two countries but to the other peoples of Europe. They have noted with particular satisfaction the complete rejection by both Governments of the use of force as a method of settling disputes between them.

2. Having said this you should then remind the Chancellor that the House of Commons is meeting at the time of your interview (Monday). You should tell him that I intend, in answer to questions of which I have already received notice, to inform the House that His Majesty's Government have been following with the closest attention the communications which have passed between leading European countries on the problems of disarmament. As a result they have arrived at the definite decision that they ought to formulate their own views on the present situation. They have embodied these views in a memorandum and this memorandum has been despatched to His Majesty's Ambassadors abroad for communication to the Governments chiefly concerned.<sup>3</sup> If asked, I shall go on to say in the House of Commons that His Majesty's Government intend to publish this memorandum later on but I shall not give any indication of the date of publication.

3. Having explained what I intend to do on Monday you should inform the Chancellor that you have now received the text of His Majesty's Government's memorandum on disarmament and are prepared to deliver it. His Majesty's Government will not in any case publish the memorandum until after January 31 and publication will probably not take place till later in the week. Pending publication the document, of course, is to be considered as confidential.

4. You will yourself know, after careful study of the memorandum, to which of its points his attention may most profitably be drawn in order to make clear the character of the document and to promote its careful and sympathetic consideration. You should particularly emphasize that His Majesty's Government have formulated their views with the greatest care after the fullest examination of the points of view of the countries chiefly concerned. They are quite aware that the proposals which they make might be criticized from one side or another as not entirely satisfying what various countries have stated to be their complete *desiderata*. The memorandum itself explains that these proposed adjustments of the British Draft Convention are not those which His Majesty's Government would put forward simply to satisfy their own preferences, but those which they regard as the fairest and most practical basis of a convention which all might accept. For that reason the proposals must be considered as a whole, and it is on that basis that they are communicated to the German Chancellor. You should

<sup>3</sup> On January 29 a summary of the memorandum was telegraphed to Washington and Tokyo for communication to the United States and Japanese Governments. On January 30, H.M. Representatives at Angora, Athens, Belgrade, Brussels, Bucharest, Budapest, Moscow, Prague, Sofia, Vienna, and Warsaw were instructed to communicate the memorandum on January 31 to the Governments concerned. Copies of the memorandum were given to the Heads of Foreign Missions in London on January 31.

inform him that the memorandum is also being delivered confidentially to Paris and Rome.

5. You should call the attention of the Chancellor to the fact that the memorandum contains the answer to the definite request, twice repeated in the German reply of January 19, that His Majesty's Government should make a concrete statement of the measure of disarmament 'which in their view should be carried out by the highly armed States'.

6. You should tell him that it would be very far from the intention of the conversation which you are having with him to embark on unnecessary controversies. His Majesty's Government, however, feel bound through you to call his attention to two points in the German reply of January 19 which cannot be allowed to pass though they have not been dealt with in the memorandum from a desire to avoid public controversy. The first of these is the reassertion that 'for them the proposals put forward on October 14 last by the British Secretary of State for Foreign Affairs on the basis of preliminary conversations with other Powers represented for practical purposes a new solution which precisely in those points which particularly affect Germany sacrifices the fundamentals of the British Draft Convention'. His Majesty's Government had hoped that after the clear exposition which they have repeatedly given of the meaning and intention of the report which I made on October 14 to the Bureau at the request of the President, the German Government would not have repeated an accusation which His Majesty's Government frankly regard as unjustified. In the interests, however, of good relations between the two countries and in view of the more practical importance of considering impartially the proposals which they now put forward, His Majesty's Government have no wish to pursue further a barren controversy on this matter.

7. The second statement in the German reply which has caused His Majesty's Government some surprise is that 'the British Government will not recognize that Germany is the only State which has carried out the obligation to disarm laid down in the Peace Treaty of Versailles'. Without discussing what Germany has done or has not done, if the implication of this statement is that Great Britain has during the years which have elapsed since the Treaty of Versailles not carried out more than a full measure of disarmament in land, sea and air forces, His Majesty's Government must of course categorically refute an implication so singularly ill-founded. Here again, however, His Majesty's Government consider that there are now more important purposes to be served than the pursuit of an unprofitable historical argument.

Repeated to Paris and Rome.

*Sir J. Simon to Sir E. Drummond (Rome)*

*No. 49 Telegraphic [W 978/1/98]*

FOREIGN OFFICE, *January 28, 1934, 7.50 p.m.*

Your telegrams Nos. 27<sup>1</sup> and 28.<sup>2</sup>

1. I am very glad to learn that Signor Mussolini agrees that no public statement should be made either in London or Rome until after German Chancellor's speech on Tuesday.<sup>3</sup> In the meantime, we wish to give Signor Mussolini immediate information of the contents of our document and you should hand it to him most confidentially at the earliest opportunity tomorrow. We are instructing British representatives to act similarly in Berlin and Paris and thus German Chancellor will have opportunity of knowing our views before he speaks. We shall also inform representatives of United States, Poland, Belgium, Union of Soviet Socialist Republics and Japan in the course of tomorrow.

2. Though my statement in the House of Commons tomorrow will be limited to explaining that we have despatched to our Ambassadors our memorandum for the information of the Governments concerned and to indicating that publication will take place later, it will be absolutely necessary to publish our document this week on Thursday. This is necessary for Parliamentary reasons and also because it will already have been in the hands of so many Governments. We gladly defer action till Thursday (unless our hands are absolutely forced by press leakage) in order to give Signor Mussolini the opportunity, if he wishes, to make his statement first. Manifestly the two statements ought not to be made public on the same day. We hope very much indeed that the Italian declaration will not be in contradiction to ours, for our own document has been drawn on lines which, after my conversations in Rome, we have reason to believe afford the best prospects for that co-operation which he and we so much desire.

3. If after seeing our document Signor Mussolini decides that he would prefer that it was published before any Italian declaration, please let me know immediately as in that event we might wish to publish on Wednesday.

Repeated to Berlin and Paris.

<sup>1</sup> No. 218.

<sup>2</sup> This telegram has not been traced in the Foreign Office archives.

<sup>3</sup> January 30.

*Sir J. Simon to Mr. Campbell (Paris)*  
*Nos. 33 and 34 Telegraphic [W 978/1/98]*

FOREIGN OFFICE, *January 28, 1934, 8.0 p.m.*

My despatch No. 154.<sup>1</sup>

It has been decided that when the House of Commons reassembles on Monday<sup>2</sup> I shall make a statement on behalf of His Majesty's Government at about 4 o'clock in the afternoon. I intend to say, after giving a short account of recent diplomatic exchanges on the disarmament problem, that His Majesty's Government have come to the definite conclusion that they ought to formulate their own views on the present situation. These views I shall inform the House have been embodied in a memorandum which has been despatched to His Majesty's Ambassadors for communication to the Governments chiefly concerned. If questioned I shall state that His Majesty's Government intend to publish this document later on but I shall give no indication of the date of publication.

2. I can, however, inform you that in no case do we intend to publish the document before January 31.

3. My telegrams to Berlin Nos. 27 and 28<sup>3</sup> will show you the instructions which I have given to Sir E. Phipps to seek an interview on Monday with the German Chancellor and to offer to deliver the memorandum to him at his convenience. You will appreciate the importance which His Majesty's Government attach to the German Chancellor being made aware before he makes his speech in the Reichstag on January 30 that His Majesty's Government have formulated proposals. His Majesty's Government naturally wish to communicate the memorandum as soon as it is completed to the French Government. I request therefore that you will on Monday evening hand the memorandum in my despatch under reference to the Quai d'Orsay for their strictly confidential information. I shall instruct Sir E. Drummond to hand the memorandum similarly to Signor Mussolini, and I intend to communicate it privately and confidentially to the United States, Japanese, Belgian, Union of Soviet Socialist Republics and Polish Ambassadors.

4. In handing to the Quai d'Orsay the memorandum, you should acquaint them with the substance of the preceding paragraphs, and should say that His Majesty's Government are quite sure that the French Government will give it careful and sympathetic attention. You should explain that the memorandum is intended for eventual communication to all Governments represented at the Disarmament Conference, though for the time being it is merely being communicated confidentially to the Governments above mentioned. You will probably find it advisable to call attention to the considerations contained in my despatch under reference. Naturally His Majesty's Government understand that the French Government will wish to

<sup>1</sup> No. 209.

<sup>2</sup> January 29.

<sup>3</sup> No. 223.



consider the document very carefully before making any detailed pronouncement on it. They may also wish to study the reception given to it by the German Government before committing themselves to very definite views. On the other hand, it would naturally be a source of satisfaction to His Majesty's Government, and in their view would conduce to closer collaboration between His Majesty's Government and the French Government in approaching a solution of this difficult problem, if the attitude of the French press is one of general approbation and not one of carping criticism when the document is published. It is obvious that if the memorandum is at once violently attacked by large sections of the French press, the effect in this country will be most regrettable, and opportunities will be offered to those who wish to drive a wedge between the British and French attitude to exploit such divergence to the full.

5. I leave to your discretion the extent to which you will employ the arguments contained in my despatch under reference, and the degree in which you may find it advisable to embark on explanations of the document itself. Should you find it advantageous, as I anticipate, you will no doubt particularly call attention to the extent to which His Majesty's Government have endeavoured to go to meet the French point of view on supervision and guarantees of execution of the Convention. Should the Quai d'Orsay indicate distaste for the concrete proposals in regard to the abolition by stages of certain weapons accompanied by the increase in certain ways of German armaments, you might ask them to examine very carefully the very guarded terms in which these measures of disarmament and rearmament respectively are phrased, and suggest that in the form in which they are put they would involve a minimum of risk to the security of France or of other nations.

Repeated to Rome and Berlin.

No. 226

*Sir J. Simon to Mr. Campbell (Paris)*

*No. 36 Telegraphic [W 978/1/98]*

FOREIGN OFFICE, *January 28, 1934, 8.0 p.m.*

My telegram No. 34.<sup>1</sup>

I feel sure that I can count on you to do everything in your power to prevent any outburst of criticism in the French press or on the part of the French political world. I need not point out in detail the extent to which such an attitude would play into the hands of Germany. Briefly it would then be easy for Germany to say that she would have been prepared to consider the proposals but for the attitude of France, which had made the prospect of general agreement hopeless. You should of course use this argument to the best of your ability.

It is of course of the utmost importance that there should be no leakage at all before we publish.

<sup>1</sup> No. 225.

I am much obliged by your telegram No. 15<sup>2</sup> to which I have given full consideration. But for parliamentary reasons it will be impossible for me to act on the suggestion at the end of your second paragraph: see my telegram to Rome No. 49.<sup>3</sup>

<sup>2</sup> Not printed. See No. 220, note 5. The suggestion referred to was that the British proposals should be held up.

<sup>3</sup> No. 224.

#### No. 227

*Mr. Campbell (Paris) to Sir J. Simon (Received January 29)*

*No. 29 Saving: Telegraphic [C 670/138/18]*

PARIS, January 28, 1934

Feeling of Ministry of Foreign Affairs towards conclusion of Polish-German Pact is somewhat mixed. They have always maintained—I think with sincerity—that they would welcome any arrangement diminishing risk of Polish-German conflict. From that point of view therefore they are pleased, particularly as pact expressly confirms existing international engagements (i.e. Franco-Polish alliance).

2. On the other hand they are obviously annoyed, though attempting to conceal it, that Polish Government should have gone ahead faster than they expected. They affirm that M. Beck took M. Boncour into his confidence the other day at Geneva. None the less I have the impression that it can only have been to a limited extent. In any case I think French Government were probably surprised at the rapidity with which signature supervened, nor do I think they were previously informed of the precise text.

3. At all events Ministry of Foreign Affairs are quite frank in stating that they consider signature premature on account of encouragement it will give to Hitler. They appear to fear that accomplishment of this first step of his programme will encourage him to accelerate the pace of the remainder, i.e. unilateral rearmament.

#### No. 228

*Sir E. Phipps (Berlin) to Sir J. Simon (Received January 29, 2.0 p.m.)*

*No. 45 Telegraphic: by telephone [W 993/1/98]*

BERLIN, January 29, 1934

Your telegrams Nos. 27 and 28.<sup>1</sup>

I handed memorandum to Chancellor at midday today (London time) making oral point mentioned in above.

Chancellor promised to study memorandum with closest attention and with sympathy.

<sup>1</sup> No. 223.

Baron von Neurath, who was present, asked whether His Majesty's Government contemplated, as stated in the press, publishing a White Paper with texts of all the various documents exchanged. I denied all knowledge of any such intention. His Excellency begged this should not be done at any rate at present in view of French ministerial crisis.

Repeated to Rome and Paris.

**No. 229**

*Sir E. Phipps (Berlin) to Sir J. Simon (Received January 29, 2.50 p.m.)*

*No. 46 Telegraphic: by telephone [W 1017/198]*

BERLIN, January 29, 1934

My immediately preceding telegram.<sup>1</sup>

I drew personal and particular attention of Chancellor to passage on equality of rights, to our *disarmament* proposals which give more to Germany than she had even asked, and to permission for her to have anti-aircraft guns. I urged that in return he would give British proposals as sympathetic consideration as possible and I expressed fervent hope that Germany would return to Geneva and the League.

The Chancellor was friendly in manner but uncommunicative on . . .<sup>2</sup>. He made long and rather rambling remarks about future industrial dangers from Russia. Regarding Polish arrangement however he declared he would be willing to conclude similar one with France and that he was convinced force was not the real solution of any question. The curse had been that since the Treaty of Versailles France and other Powers had thought they could impose their will on Germany in every respect. I replied that a study of British memorandum would show that those days were past.

Repeated to Paris and Rome.

<sup>1</sup> No. 228.

<sup>2</sup> The text as originally received was here uncertain. In the confirmatory copy of this telegram received by bag the passage read: 'uncommunicative on essentials'.

**No. 230**

*Sir E. Drummond (Rome) to Sir J. Simon (Received January 29, 3.55 p.m.)*

*No. 34 Telegraphic [W 1022/198]*

ROME, January 29, 1934, 3.30 p.m.

Your telegram [No.] 49.<sup>1</sup>

As Signor Mussolini was not available this morning I handed Signor Suvich the documents [*sic*] and had a preliminary discussion with him. I shall learn tonight or at the latest tomorrow morning (I pressed strongly for a reply today) Italian views as regards publication question and what they intend in respect of their own proposals.

<sup>1</sup> No. 224.

2. Signor Suvich's reaction after hasty perusal of principal points was that our plan was considerably more favourable to Germany than that of Italy. By the end of the eighth year Germany would have attained on land absolute equality with all other nations except in respect of tanks while under Italian scheme there would be whole gamut of offensive weapons remaining in France's favour. He greatly feared an unhappy reception in Paris. These are however only his preliminary and personal impressions and I hope shortly to be able to telegraph details of Signor Mussolini's views with his decision as to publication.<sup>2</sup>

Repeated to Paris and Berlin.

<sup>2</sup> Sir E. Drummond reported in his telegram No. 36 of January 29 that the Italian Government proposed to publish their statement on Wednesday, the 31st, and expected the British statement to be made public on the following day.

### No. 231

*Mr. Campbell (Paris) to Sir J. Simon (Received January 29, 9.0 p.m.)*  
*No. 18 Telegraphic: by telephone [W 1023/1/98]*

PARIS, January 29, 1934

I have just returned from carrying out your instructions. Before handing M. Léger the memorandum I described to him at some length the considerations which had led His Majesty's Government to make these proposals and the reasons why they were framed as they are, and developed generally the arguments contained in your despatch [No.] 154.<sup>1</sup> I then gave him an oral summary of memorandum drawing his special attention to those features (especially security and control) which should appeal to the French Government.

His personal reaction was less favourable even than I anticipated. The burden of his objection was that our proposals combined German rearmament with French disarmament. He remained unmoved by all the obvious arguments which I advanced during an interview lasting an hour and a half.

He undertook that the memorandum would be kept strictly secret but urged you should publish as soon as you possibly can as he fears the effect of intelligent anticipation by journalists.

In conclusion I appealed to him to study the documents [*sic*] very closely before finally making up *his* mind as to its merits.

I fear that until the new Government is installed there is not much more that we can usefully do here.

Repeated to Berlin and Rome.

<sup>1</sup> No. 209.

No. 232

*Sir J. Simon to Sir E. Phipps (Berlin)*

*No. 35 Telegraphic [W 993/1/98]*

FOREIGN OFFICE, *January 29, 1934, 9.30 p.m.*

Your telegram No. 45.<sup>1</sup>

For your information, there is no intention at present on the part of His Majesty's Government to publish a White Paper with the texts of all the various documents recently exchanged on disarmament in the course of the so-called parallel and supplementary conversations.

It may eventually, of course, prove desirable to issue a White Paper of this kind, but this would certainly not be done without consulting the Governments concerned or till after publication by them of their respective communications.

The only publication we are contemplating at present is that of the Memorandum itself and that not till after January 30.<sup>2</sup>

<sup>1</sup> No. 228.

<sup>2</sup> The United Kingdom memorandum of January 29 was published on January 31 as Cmd. 4498 of 1934. The French memorandum of January 1, the German memorandum of January 19, and the Italian memorandum of January 31 were later published in Cmd. 4512 of 1934. A debate on the memoranda and on the general question of disarmament took place in the House of Commons on February 6, 1934. See Parl. Deb., 5th ser., H. of C., vol. 285, cols. 985-1108.

No. 233

*Sir J. Simon to Sir W. Erskine (Warsaw)*

*No. 44 [C 691/138/18]*

FOREIGN OFFICE, *January 29, 1934*

Sir,

I asked M. Skirmunt to come to see me this morning. I first congratulated him and the Polish Government on the conclusion of the Non-Aggression Pact with Germany. His Majesty's Government had not yet received the exact text of this agreement, but our first impression was one of great satisfaction that there seemed a prospect for ten years to come of good neighbourly relations between Germany and Poland. We noted with particular satisfaction the complete rejection by those Governments of the use of force as a method of settling disputes between them. The Ambassador thanked me for what I had said; he had himself not yet received the official text, but the pact was printed at length in Warsaw newspapers which reached him this morning. He would, if we wished, send us a translation at once. M. Beck had instructed him to explain that the pact applied to all disputes directly arising between Germany and Poland, and stated that the new agreement did not in any way conflict with the existing treaty obligations of either party. M. Beck

hoped that though the direct purpose of the pact was thus limited, it would have a wider indirect influence and might prove a valuable contribution in connexion with disarmament.

2. I then proceeded to tell His Excellency of the statement which I was proposing to make in the House of Commons this afternoon about His Majesty's Government's memorandum on the disarmament position. I told him that you would be in a position very shortly to communicate the substance of the document to the Polish Government. We naturally desired to treat Poland as one of the States entitled to the earliest information. I explained that in my conversations at Rome on the 3rd and 4th January it had appeared that Signor Mussolini was contemplating a pronouncement on his own part, but that he had agreed to suspend this until the German replies to France and to ourselves were received. These replies had been given ten days ago and, consequently, Signor Mussolini was free to make a declaration if he so desired. This was one reason why we were not publishing our own document immediately, though we should probably do so after Chancellor Hitler had spoken tomorrow as soon as Signor Mussolini had had the opportunity of prior publication if he wished.

3. I did not hand any copy of the document to the Ambassador, but indicated to him in broad outline our general position as regards security, equality and disarmament, emphasising that I was speaking in strict confidence, which His Excellency undertook that he and his Government would observe.

I am, &c.,  
JOHN SIMON.

**No. 234**

*Letter from Sir E. Drummond (Rome) to Sir J. Simon*

[General 349/5]

BRITISH EMBASSY, ROME, *January 29, 1934*

My dear Secretary of State,

When I handed the disarmament document to Suvich this morning I thought he was a little 'stuffy', and I was somewhat at a loss to account for his attitude, because we were giving Mussolini a fair chance to get in first. This as you now know he has decided to take.

But from something Suvich let drop I think I have discovered the sting. The Italian memo. was communicated in its plenitude to us alone. The French and Germans were not given more than the main points. We on the other hand communicated our document more or less simultaneously to six Powers. Therefore the Italians consider that while they gave us special treatment (though we did not ask for it), we have not responded in quite the same way. Further we have got in before them as regards the Governments. Hence slightly hurt feelings exaggerated because of extreme Italian susceptibilities in matters of this kind.

It is tiresome, but I hope any resentment will soon pass. Of course I realise that considerations of time made it impossible to give the Italians more warning than we did, and after all we have given Mussolini priority as regards publicity, but they are terribly sensitive and are inclined to see slights where none are certainly intended.

Yours very sincerely,

ERIC DRUMMOND

No. 235

*Mr. Campbell (Paris) to Sir J. Simon (Received January 30, 6.0 p.m.)*

*No. 21 Telegraphic: by telephone [W 1069/1/98]*

PARIS, January 30, 1934

My telegram No. 18.<sup>1</sup>

Whilst I do not wish in any way to minimise the importance of the unfavourable reaction of M. Léger to British disarmament proposals it must be remembered that personally he has always adopted a very stiff attitude on this subject and that he is now in close touch with M. Léon Blum whose hostility to any German rearmament is well known. Moreover as the official in charge of the Ministry of Foreign Affairs in the interregnum between the two Governments M. Léger could in no case have expressed approval. He could only either refuse to comment at all on the proposals or subject them to general criticism which would safeguard the position for future Governments.

2. I consider it fortunate that M. Daladier rather than M. Herriot is in power<sup>2</sup> though his Government is likely to be far from secure. His realist attitude offers the best hope of progress in disarmament. At the same time he has lately stiffened considerably in his attitude towards Germany which was arousing hostility in Parliament.

3. I propose to seek an interview with M. Daladier at the earliest possible moment in order to repeat to him personally the representations which I made yesterday to M. Léger; I cannot however see him until he has met the Chamber.

4. In the meantime my impressions are as follows. I never expected the French to jump at our proposals though I thought there was a chance that they might come round to them reluctantly when they realized that this was the last chance of a general settlement and that they had come to the parting of the ways. It is too early to go beyond that very general expression of opinion. The danger will come from . . .<sup>3</sup> revival of movement in favour of separate arrangement with Germany. It will be difficult for the public which has lost faith in British support to realise that a measure of German rearmament *without* French disarmament is not a more favourable arrangement for

<sup>1</sup> No. 231.

<sup>2</sup> M. Daladier formed a new Government on January 30, with himself as Minister for Foreign Affairs.

<sup>3</sup> The text as originally received was here uncertain. A later text read: 'from the side of revival'.

France than a measure of German rearmament *combined with* French disarmament. Meanwhile a general convention<sup>4</sup> based on disarmament rather than rearmament and safeguards offered by a general convention especially in the light of the ample (? aerial)<sup>5</sup> security proposals will be apt to be obscured by more favourable appearance of terms offered by Hitler. I will endeavour particularly to show M. Daladier that he would do better to come into a general arrangement even if less favourable than anything French have hitherto been ready to accept rather than to walk out into the wilderness of a separate agreement with Germany and ultimate consequences which must at the best be regarded with some uncertainty.

Repeated to Rome and Berlin.

<sup>4</sup> A later text here read: 'The benefit of a general convention'.

<sup>5</sup> The text as originally received was here uncertain. A later text read: 'in the light of the amplification of our security proposals'.

## No. 236

*Sir E. Phipps (Berlin) to Sir J. Simon (Received January 30, 7.15 p.m.)*

*No. 48 Telegraphic: by telephone [C 716/29/18]*

BERLIN, *January 30, 1934*

I was present at the Reichstag today.

The Chancellor spoke for nearly two hours.

The greater part of his speech was devoted to review of events leading up to formation of his Government and of achievements of the past year. It was impossible to hear every word distinctly but the following is provisional summary of the principal points.

Internal Affairs.

### 1. *Protestant Church.*

He hoped that unity would shortly be attained. Nazi Government recognised power of Christian philosophy and faith but the Church must equally recognise strength of Nazi Government (loud applause).

### 2. *Reich Reform.*

German states have always existed ethnographically and will continue to exist but their political organisation must be modified and the Government were now introducing a bill empowering them to concentrate strength of the Reich in one organisation. He protested against recent thesis that Germany could only be happy under the state dynasties. The Nazi Government had seized power and any change in the form of Government was out of the question. Modification of the Reich organisation would be taken in hand at once.

### 3. *Nazi Party.*

He sharply condemned the intelligentsia for their continued hostility. He would repress all subversive movements whether from the Left or from the Right.



#### 4. *Sterilisation.*

Government proposed to maintain their attitude in face of opposition of Catholic Church.

#### Foreign Policy.

1. The basis of German foreign policy was equality of rights which in their opinion was only means of obtaining peace. Economic ills of the world could only be cured by political appeasement.

#### 2. *Russia.*

The German Government had tried and would try to improve relations with Russia but it must be understood that just as Nazi party would not be tolerated in Russia so Communists would not be tolerated in Germany. Differences in political outlook would not be allowed to interfere with Russo-German relations (faint applause).

#### 3. *Poland.*

Recent declaration had arisen out of his conviction that German-Polish differences must be settled peaceably. He hoped political agreement would lead to development of economic relations (no applause).

#### 4. *Austria.*

He denied that Germany was attacking or interfering with Austria which was a German country and was naturally absorbing Nazi philosophy. If the Austrian Government desired to suppress Nazi movement let them do so, but they must take the responsibility. Meanwhile German Government would not allow their nationals who with the exception of emigrants were all Nazis to be subjected to insults in a country which had declared war on Nazi party. Germany could not restrain Austrian refugees in Germany from attacking Austria any more than foreign countries restrained the German emigrants from attacking Germany. But the German Government did not desire to protest against the toleration of emigrants abroad for they felt strong in the consciousness that they had won suffrage of the whole German nation. Germany would abandon her present attitude towards Austria if Austrian Government would submit themselves to suffrage of Austrian nation. He protested against the suggestion that Germanism was being fostered in Austria by German Government for as a man who had been born in Austria he could declare with certainty that they already possessed German sentiment.

It was clear from tenor of Chancellor's remark that above represented answer to recent Austrian *démarche*.

#### 5. *Italy.*

He made a friendly general reference to Signor Mussolini, Italian nation and Signor Suvich's recent visit.

## 6. *France.*

He had done his best to improve relations with France. He still entertained hopes of success but thought it would come not from the politicians and diplomats but from the people. Nazi Germany had no desire to eliminate France.

German Government had suggested solution of Saar question without plebiscite for four reasons: (a) once the Saar was restored there would be no more territorial questions at issue between France and Germany; (b) plebiscite would lead to exacerbation of Franco-German relations; (c) whatever the result it would be regarded by one side or the other as a defeat; (d) he suggested that any Franco-German arrangements on the Saar could be submitted to a plebiscite.

If the same<sup>1</sup> question were liquidated Germany would reaffirm Locarno in the spirit and would solemnly renounce any further territorial claim against France.

## 7. *Great Britain.*

He welcomed the efforts of His Majesty's Government to improve relations. A memorandum had only yesterday been handed to him by the British Ambassador in which the British Government recognised that the conception of victors and vanquished was a thing of the past. The memorandum would be examined in the spirit of his statement on foreign policy of May 17 last (applause).

8. He desired to repeat in the most formal way that Germany threatened no one and had no intention of using force. He wished to co-operate loyally on the basis of equality in the political and economic reconstruction of the world. She was ready to assume not only privilege of equality but its duties. But no threat and no force could compel Germany to waive her rights as a sovereign nation (loud and prolonged applause).

He concluded with a tribute to the President which was very well received.

<sup>1</sup> This word was later amended to read 'Saar'.

## No. 237

*Sir W. Erskine (Warsaw) to Sir J. Simon (Received February 6)*

*No. 49 [C 871/138/18]*

WARSAW, *January 30, 1934*

Sir,

With reference to my telegram No. 9<sup>1</sup> of today's date, I have the honour to report that I called yesterday on the Minister for Foreign Affairs in order to hear what he might have to say in regard to the German-Polish declaration which has just been signed in Berlin.

<sup>1</sup> Not printed. This telegram reported M. Beck's categorical denial that the Polish Government had signed a secret agreement disinteresting themselves from the question of the 'Anschluss'.

2. After offering him my personal congratulations on this important contribution to European stability and peace, and expressing my conviction that you would welcome it with much satisfaction, I said that his observations on the subject on the occasion of our last conversation—see my despatch No. 28<sup>2</sup> of the 17th instant—had prepared me for the event, but that I had not expected that matters would go so fast. His Excellency said that neither had he. Negotiations had only begun seriously just before his departure for Geneva. He had feared that the Germans would submit a long and complicated proposal, but Herr Hitler had expressed his preference for a short and simple text—a suggestion to which he had readily agreed. Herr Hitler had submitted a draft, the Polish Government had suggested a few amendments and the matter had been concluded.

3. M. Beck said that he regarded the declaration as entirely satisfactory. It safeguarded Poland's alliances with France and Roumania<sup>3</sup> and her obligations as a member of the League of Nations. There was no direct reference to territorial questions, but if it did not imply the recognition of the territorial *status quo* it meant nothing at all. He appeared to be convinced of Herr Hitler's entire sincerity as to the comprehensive interpretation to be given to the agreement.

4. I questioned him as to the meaning of the provision that should direct negotiations not lead to a settlement, the next step should be 'mutual agreement to seek a solution by other peaceful means without prejudice to the possibility of applying those methods of procedure in which provision is made for such cases in other agreements in force between them'. I assumed that this was intended to provide some alternative means of settlement—such as submission of the dispute to an arbitrator agreed on by both parties—to those provided by the Locarno Arbitration Treaty, while not excluding the possibility of resort to the latter. His Excellency replied that this was exactly the intention. The German Government had not pronounced themselves definitely as to whether they considered themselves still bound by the Treaty of Locarno. The Polish Government themselves were not clear on the subject. In present circumstances it was obviously better to provide some alternative procedure, but as nobody knew what might happen during the next ten years—Germany, for instance, might return to the League—it had been thought well to leave a loophole for recourse to the Locarno machinery. I also enquired as to the exact meaning of the sentence excluding from the operation of the declaration questions regarded as the internal concern of the two States. M. Beck's reply was involved, but I gathered, as I suspected, that it referred to minority questions. Presumably it means that in future and with special reference to the eventual lapse of the special régime established in Upper Silesia, both Governments will refrain from intervening on behalf of their respective minorities living in the territory of the other.

5. I then called his attention to a report which was current that the Polish

<sup>2</sup> Not printed.

<sup>3</sup> The Polish-Roumanian Treaty of 1931 is printed in *British and Foreign State Papers*, vol. 134, pp. 1050–1.

Government had signed a secret agreement or clause, under which they undertook to disinterest themselves entirely from the question of the 'Anschluss' with Austria. I said that I did not myself believe the report, but that I should like to have a definite statement on the subject from him. His Excellency then gave me the assurance already reported in my telegram No. 9 of today's date. He added that throughout the negotiations there had been no reference to any question affecting the interests of any third country. At the same time, as I indicated in my telegram No. 10<sup>4</sup> of today's date, it would be unsafe to assume from M. Beck's denial of the existence of such an undertaking that Poland would be prepared to give strong support at Geneva to Austria should the latter decide to appeal to the League in the matter of her relations with Germany. I have no reason to suppose that Poland has modified the attitude of comparative indifference on the subject of the 'Anschluss' taken up in 1931, as described in my despatches Nos. 151 and 165<sup>4</sup> of the 1st and 11th April respectively of that year. In fact, the recent signature of the German-Polish declaration is obviously calculated to increase her reluctance to take a strong line. I may mention, incidentally, that I suspect that Poland's rejection last year of Czechoslovakia's overtures for closer relations was largely due to her fear of becoming involved in complications arising out of the 'Anschluss' question.

6. I gather from my French colleague, who has just returned from Paris, that his Government, while objecting to the manner in which it was concluded, regard the agreement itself with equanimity. According to him M. Beck observed the letter though not the spirit of the treaty with France by casually mentioning to M. Paul-Boncour at Geneva that the Polish Government were about to 'sign something with the Germans'. M. Laroche and the Roumanian Minister were received by Marshal Pilsudski yesterday. He gave them the most categorical assurances that there was nothing behind the treaty, and that the treaties with France and Roumania and also Poland's engagements with the Soviet Government would be in no way affected. The Marshal informed them that the clauses safeguarding existing engagements and leaving the door open for recourse to the Locarno Treaty had been inserted as amendments by the Polish Government, mentioning that that having reference to Locarno had met with strenuous resistance from Germany.

7. The signature of the declaration has been greeted with enthusiasm, rising in some cases to lyrical heights by the governmental press and with more restrained expressions of approval by the Opposition press, with the exception of the Socialist 'Robotnik', whose hatred of the Nazi régime apparently outweighs its love of peace and brotherhood among nations.

8. As regards public opinion, such information as has so far reached me indicates that the initiation of the negotiations aroused great interest throughout all classes of the population—at least in Warsaw and Western Poland—with the exception of the National Democrat leaders. Their successful conclusion appears to have been received with immense relief, especially by the

<sup>4</sup> Not printed.

inhabitants of Posnania and Pomorze, who have until now felt that they were living on a volcano, but can now look forward to at least ten years of peace.

9. I am sending a copy of this despatch to His Majesty's Ambassador at Berlin.

I have, &c.,  
WILLIAM ERSKINE

No. 238

*Letter from Sir R. Vansittart to Sir E. Drummond (Rome)*

[R 693/37/3]

FOREIGN OFFICE, *January 30, 1934*

The Counsellor of the Italian Embassy called on Sargent yesterday, and said that he had received a telegram from Signor Suvich about the interview which you report in your telegram No. 30.<sup>1</sup>

Suvich's telegram stated that the Italian Government were not in favour of an Austrian appeal to the League for the following reasons:

1. Germany would not be present,
2. League procedure would delay matters,
3. Austria would lose her freedom of action,
4. Dr. Dollfuss's opponents in Austria would denounce him for adopting an anti-German policy.

Sargent said that he found it difficult to understand objections 2 and 3. Delay would be all to the good if Dr. Dollfuss succeeded in remaining in power while League procedure was going on. Vitetti produced no explanation, and if you can extract one from Suvich next time you discuss the matter with him, it will be all to the good.

The telegram went on to recommend:

1. An explicit declaration in favour of any Government which defends the independence of Austria.
2. Material help to Austria in economic matters.
3. Checking pessimistic press campaign regarding Austria's future.

Here again I am at a loss to know what is meant by 1. As regards points 2 and 3, they may be of some value, but, as the Italians must know quite well, they will not (particularly in view of the inevitable limitations on the former) carry us very far.

In short, present Italian policy regarding Austria appears to me both obscure and vacillating and I should be grateful for any further elucidations of it which you may be able to furnish.

R. VANSITTART

<sup>1</sup> No. 222.

No. 239

*Sir E. Drummond (Rome) to Sir J. Simon (Received January 31, 10.10 a.m.)*  
*No. 38 Telegraphic: by telephone [W 1071/1/98]*

ROME, January 31, 1934

My telegram No. 37.<sup>1</sup>

Ministry of Foreign Affairs informed me at 10 a.m. this morning that Italian statement on disarmament would be published this afternoon. They would let me have a copy but probably not before 1 o'clock. The statement corresponded in substance with the Italian memorandum on disarmament discussed with you by Signor Mussolini during your visit but there were certain changes of form which had not yet been finally approved; this was the reason why they could not give us copy sooner.<sup>2</sup>

<sup>1</sup> Not printed. In this telegram of January 30 Sir E. Drummond reported that it was unlikely that he would obtain any expression of Italian views on the British memorandum further than those reported in No. 230, since the Italian Ministry of Foreign Affairs were engaged in preparing their own statement for publication.

<sup>2</sup> The Italian memorandum of January 31, which corresponded closely to the document communicated to Sir J. Simon on January 3 (see Enclosure in No. 161), is printed in Cmd. 4512 of 1934.

No. 240

*Sir E. Phipps (Berlin) to Sir J. Simon (Received January 31, 10.30 a.m.)*  
*No. 51 Telegraphic: by telephone [W 1075/1/98]*

BERLIN, January 31, 1934

General von Blomberg dined with us last night.

He expressed warm appreciation of German Government for British memorandum and the spirit that inspired it. One point, however, was quite unacceptable for Germany viz. aviation (see last paragraph of my telegram No. 49).<sup>1</sup> Germany could never agree to remaining defenceless for two years in that vital sphere, admitted as such moreover in British memorandum. Still less could she return to League without equality of rights in that respect. Anti-aircraft guns were not sufficient for defence.

I replied that our memorandum would be a bitter pill for France. If a large part of the gilding were removed how could she swallow it? I pressed General von Blomberg for a way out but he could not indicate one although he felt sure it would be found.

Repeated to Rome and Paris.

<sup>1</sup> This reference read 'my telegram No. 39' in the confirmatory copy of the telegram received by bag. See No. 215.

*Sir E. Phipps (Berlin) to Sir J. Simon (Received February 5)*

*No. 127 [C 842/842/18]*

BERLIN, January 31, 1934

Sir,

It may be useful if I supplement my telegram No. 15 Saving,<sup>1</sup> of the 22nd January with some remarks of a more general character on the present position and the future trend of German foreign policy.

2. The German problem, like so many others, has been complicated by the very comprehensible reluctance of human nature to face inconvenient facts. It was often said, after the war, and I am not aware that the statement was ever contradicted, that it was impossible to hold a great nation like Germany in subjection for ever. It was recognised, if only subconsciously, that the ultimate aim of successive German Governments must be the re-establishment of the position which had been lost in the war. The fear of France for her security arose from the very knowledge that, sooner or later, Germany must recover her strength.

3. Under the Weimar Constitution, recovery would have been slow and difficult. But France, for reasons which are easy to explain, failed to adopt a clear-cut policy towards Germany. Having, in return for an Anglo-American guarantee, grudgingly accepted the Wilsonian ideology, she was unable, when the guarantee was withdrawn, to return to the policy of annihilating Germany. At the same time, she was unwilling to bow to the inevitable and realise that there was henceforth no alternative but the policy of conciliation. For even the failure of that policy would not have landed her into any worse a position than a policy of drift. The result was to discredit the Weimar system in Germany, and eventually to bring about its disappearance, together with the elimination of the men who stood for the policy of treaty revision through the League of Nations or through negotiation. In their place there are now men, whose ultimate aims are much the same, but whose radically different methods may at some future date precipitate an international conflict. For Nazi Germany believes neither in the League nor in negotiation, and claims with some justice that the experience of the last fourteen years has converted the vast mass of the German nation, and particularly the younger generation, to their point of view.

4. Germany's foreign policy may be said to comprise the following aims:—

- (1) Fusion with Austria.
- (2) Rectification of the eastern frontiers.
- (3) Some outlet for German energy towards the south or east.
- (4) The recovery of some colonial foothold overseas.

The order may vary with the needs of the moment. Dr. Brüning, for example, placed fusion with Austria first on the list, not because of its urgency, but

<sup>1</sup> No. 195.

because it seemed easiest of attainment. He, and Hitler after him, believed that Austria was vulnerable from within, Dr. Brüning, because of the Catholic, and Herr Hitler because of the Nazi, connexion. Weimar Germany attached relatively little importance to colonies or sea power. Herr Hitler has found that Austria is amenable to Nazi treatment, and therefore for the moment leaves the Brüning order of precedence unchanged.

5. Herr Stresemann hoped to reach these objectives by conciliatory methods. He was convinced, though his conviction was rudely shaken for a year before his death, that conciliation and compromise would achieve more than the sword, all the more as he saw no prospect of being able to sharpen the German sword. For he, and even Herr Hitler at the time, was impressed by British, French and Polish utterances, and assumed that intervention would follow if Germany took her sword to the grindstone. Here it may be said that nothing has so enhanced the prestige of Herr Hitler in Germany as the behaviour of the ex-Allies since he took office. All reasonable and cautious opinion in Germany foretold disaster, occupation of the Rhineland, sanctions, perhaps blockade, if Germany reverted to nationalism. The Nazis seized power, and nothing happened. Herr Hitler left the League and still nothing happened. On the contrary, the statesmen of Europe were represented here as having been galvanised into running after Germany. The fear that force may yet be used against Germany exists, but it is rapidly disappearing, and the man, particularly the young man, in the street thanks Hitler for the removal of a distressing bogey. It is therefore not surprising if the Chancellor pursues methods which hitherto have brought him success.

6. To attain his aims, the first step is obviously to discard the remaining servitudes of the Peace Treaty which stand in his way, namely, the disarmament stipulations. His policy is simple and straightforward. If his neighbours allow him, he will become strong by the simplest and most direct methods. The mere fact that he is making himself unpopular abroad will not deter him, for, as he said in his speech reported in my despatch No. 66<sup>2</sup> of the 17th January, it is better to be respected and disliked than to be weak and liked. If he finds that he arouses no real opposition, the *tempo* of his advance will increase. On the other hand, if he is vigorously opposed, he is unlikely at this stage to risk a break, and his policy will probably be to gain time and to go forward as best he can, trying to divide his opponents, and even reverting to the derided methods of his predecessors. In the event of really serious opposition, he may fall back on his so-called 'long-term programme', which is fully described in 'Mein Kampf'. A new political *bloc* of Germans, Austrians and scattered Teuton elements is to be established in the centre of Europe. Time is of no consequence. A hundred years is nothing in the life of a nation. The new German people will be trained on original lines. Its mode of life will be Spartan, and it will be so fanatically patriotic that when the day comes, as come it must in the course of time, Germany will have only to shout and the walls of Jericho will crumble.

<sup>2</sup> Not printed. Herr Hitler spoke at Lemgo on January 15.



7. Recent events have, however, given heart to the Nazis, and the 'long-term programme' is receding into the background. There is an ever-growing conviction that the day is not so far distant when Germany can at last emerge safely into the open. Hence the Chancellor's foreign policy today may be summed up in the word 'rearmament'. With the passing of every month the demand for 'equality', that is to say, rearmament, becomes more insistent and the German requirements more extensive. Nothing short of a vigorous and united policy on the part of his adversaries would impress the Chancellor or the German people. Although Germany appears now to be flouting the opinion of Europe over a variety of major questions, she is doing so because she believes she can now safely pursue this course. She is, I consider, still sufficiently conscious of her weakness and isolation to be brought to a halt by a united front abroad, though the time is not far distant when even a threat of force will prove ineffective.

8. When Germany is rearmed and feels secure from foreign intervention, it will be possible to take in hand the programme outlined above. Herr Hitler is [*sic*] probably sincere when he declared that, after the return of the Saar to the Reich, there will be no territorial question at issue between France and Germany. The rectification of the eastern frontiers and expansion towards the south or east are in the immediate future of more importance, and are aims which are easier of attainment than the annihilation of France. There is, for that matter, no desire to inflict injury on France, for the Nazi racial doctrines recognise the right of the French race to maintain itself in Europe. There has been a change in this respect from pre-war modes of thought, and militarism or imperialism, as pure dogmas, are no longer popular with the young generation.

9. For the moment then, rearmament occupies the centre of the stage. With it is connected the question of the Saar Territory, the early return of which is essential to the prestige of the Hitler régime. Until this territory is safely back in German hands, it is likely that the Chancellor will continue to play for time, more especially as he feels that time is on his side and that with every passing month the chance of effective foreign opposition to his plans is likely to diminish.

10. You ask me what are the main influences bearing upon the Chancellor at the moment. I should say that in the realm of foreign affairs there are no personal influences bearing on him. His policy is simple and straightforward and has the backing of the whole nation. The only elements which might oppose it are those whose caution or cowardice make them fear that he is setting too hot a pace for safety. As I have already said, the experience of the last few months has convinced the majority of these people that their fears in the past were groundless, and that Dr. Brüning lost valuable time through over-caution.

11. A consideration which is influencing the policy of the Chancellor is, as I have said before, the fact that the Saar is still in foreign hands, and he must do nothing to prevent the liquidation of the question in Germany's favour. Another, but less important, factor operating in the same direction

is the natural hope of driving a wedge between the ex-Allies. For the moment, I should imagine, he would be prepared to make a show of moderation, if he thought it advisable, in order to prevent the constitution of a united front against Germany. But these are both temporary influences. Soon, it is hoped, the Saar will be in German hands, and Germany will be sufficiently strong to attract friends to her camp, for it is her belief that only strength brings friends. It is obvious that the subsequent realisation of her political aims will have to depend at any given moment on a variety of circumstances—the political constellation in Europe, the economic development of Germany herself, and so on. Russia, for instance, is an uncertain factor. In deference to the general line of German foreign policy, Hitler has had on occasion to stifle his personal inclinations and conform to the policy laid down by men of widely different convictions, Herr Stresemann and Dr. Rathenau. The internal political development in Germany, though Hitlerism professes to be able to control and direct national thought, may prove after all to proceed along unsuitable lines. But assuming that nothing untoward happens, this is, as I see it, the direction in which German foreign policy is bound to move and is at present moving.

12. It may well be asked how this policy squares with the Chancellor's reiterated protestations that he, too, is a devotee of peace. It is plain that the Chancellor needs peace at the moment and that Germany will continue to need peace until she has rearmed and until prosperity returns. One might hazard a guess that for at least a decade, and probably for longer, Germany will not pursue her programme in a manner likely to precipitate deliberately an armed conflict. The recent signature of the declaration with Poland is evidence of her intentions in this respect. The conclusion of this agreement may be taken as proof that Herr Hitler is a statesman capable of sacrificing a measure of popularity for the sake of German foreign policy. For though it may add to his prestige with the above-mentioned timid section, it will detract from it with another much larger section of the community. Not one of Herr Hitler's post-war predecessors, as General von Blomberg remarked to me last night, would have dared to make such an agreement with Poland. Indeed, he might have added, anyone else in doing so would have courted assassination. I was particularly struck in the Reichstag yesterday by the comparatively cold reception given by even that packed and servile body to the passage of the Chancellor's speech dealing with the Polish Agreement. As in the case of Russia, however, Hitler is prepared to put aside sentiment and pursue a policy of reality.

13. Whilst it may be said that a nationalist Germany will not be deterred in the long run from pursuing her policy by the mere consideration that it may lead to war, for the moment she desires peace, for the reason that she is not prepared for war, and that she recognises that in modern times war is at the best a profitless undertaking. But she demands equality of armaments as of right. Later, she will presumably demand the territorial revision of the 'unjust' peace treaties also as of right, and will hope to secure these *desiderata* by peaceful means or at all events by the threat of force. If these methods

fail and the 'just' claims of Germany should lead to war, the blame will be laid on her enemies with the same passionate conviction as the blame for the last war is laid today on the Powers, whose jealousy<sup>3</sup> encompassed the encirclement and destruction of the German Empire.<sup>4</sup>

I have, &c.

ERIC PHIPPS

<sup>3</sup> The words 'is alleged to have' are here inserted in pencil on the file copy of the despatch. As finally printed for circulation by the Foreign Office the text here read: 'whose jealousy it is sedulously suggested encompassed the encirclement . . .'.

<sup>4</sup> Sir J. Simon commented on this despatch: 'This is a most illuminating document—and terrifying'. The despatch was also seen by the Prime Minister.

## CHAPTER V

French and German comments on the British Memorandum on Disarmament: correspondence regarding the situation in Austria: Anglo-Franco-Italian declaration of February 17, 1934, with regard to Austrian independence: Mr. Eden's visits to Paris, Berlin, and Rome (February 1–March 6, 1934)

### No. 242

*Sir E. Phipps (Berlin) to Sir J. Simon (Received February 1, 1.0 p.m.)*  
*No. 53 Telegraphic [W 1143/1/98]*

BERLIN, February 1, 1934, 12.20 p.m.

My telegram No. 51.<sup>1</sup>

Baron von Neurath repeated to me last night the same objections to British memorandum as General von Blomberg. In addition he declared that Germany would never return to the League until after its statutes had been modified. If she returned before, the present intolerable conditions would continue. It was essential therefore that indispensable modifications should be carried out beforehand. I could not move him nor would he say what modifications Germany desired beyond vaguely objecting to undue preponderance of smaller Powers in general and of (? M. Benes)<sup>2</sup> in particular.

His Excellency, however, admitted that the memorandum was a great step forward. He declared that recent diplomatic exchanges had done more in a few weeks than Geneva in years. He fears that M. Daladier has come to office too soon to be able to carry through a really sensible arrangement with Germany. He would have preferred a barren spell of M. Herriot first. This would have given M. Daladier a better chance of ultimate success.

Repeated to Rome and Paris.

<sup>1</sup> No. 240.

<sup>2</sup> The text is here uncertain.

No. 243

*Mr. Campbell (Paris) to Sir J. Simon (Received February 2)*

*No. 35 Saving: Telegraphic [W 1145/1/98]*

PARIS, February 1, 1934

Ministry for Foreign Affairs informed me this evening that it had been decided in view of publication of British and Italian disarmament proposals to publish French memorandum which was handed to German Chancellor on January 1. The permission of the German Government having been obtained, the document would accordingly appear in French press tomorrow morning. It was felt that France's position had been prejudiced owing to general ignorance of exact nature of concessions which she had offered, and that it was now time to give them full publicity.

M. Corbin has been instructed to make an immediate communication to you in this sense.

No. 244

*Letter from Sir E. Phipps (Berlin) to Mr. Sargent*

*[W 1148/1/98]*

BRITISH EMBASSY, BERLIN, February 1, 1934

Dear Sargent,

As you will probably be interested to hear the reactions in German official circles to our disarmament memorandum I give the views of von Bülow,<sup>1</sup> Dieckhoff<sup>2</sup> and Fro[h]wein (one of the two disarmament experts whom the Ministry usually send to Geneva), as communicated in a confidential conversation yesterday.

2. Our informant, a distinguished German, who has known all three for many years, found Bülow in his customary acrid frame of mind. On being congratulated, Bülow retorted that there was nothing at all in the new British offer to warrant congratulation. It was, he said, 90 per cent. in favour of French security and 10 per cent. in favour of German 'Gleichberechtigung'. He then proceeded to quote and criticise the memorandum on the ground that it discriminated repeatedly against Germany along the usual lines. There was thus no real recognition of the principle of equality and the probation period was lengthened to ten years. There was to be no immediate disarmament by France or the other Powers and it contained two conditions which seemed unacceptable to him. Germany was to remain entirely defenceless in the air for two years, and it was only after eight years or, alternatively, at the end of the Convention period that Germany was to be given air parity. Equally impossible was the condition that Germany should return to Geneva

<sup>1</sup> State Secretary in the German Ministry of Foreign Affairs.

<sup>2</sup> Head of the department of the German Ministry of Foreign Affairs dealing with questions relating to Great Britain, America, and general overseas affairs.

and the League. He quoted the words 'This ought to be an essential condition of agreement' with obvious annoyance.

3. Dieckhoff was if anything more disgruntled and critical than his chief. He quoted the passages describing the destruction of land war material and complained that Germany was only to be given tanks up to 6 tons, while France could keep her tanks until 1940, and her big guns until 1942. He repeated the objections to the air proposals with even greater emphasis. Our informant volunteered the remark that as usual the Ministry for Foreign Affairs were proving more catholic than the Pope. Bülow, he thought, would wreck any settlement if left to himself. Most of these objections are, of course, grotesque since Hitler himself only asked for 6 ton tanks and did *not* ask for destruction of French offensive weapons. Incidentally, I asked Neurath why he had not asked for this destruction and he said it was because the Germans were convinced the French would refuse!

4. Fro[h]wein, who had just returned from the Reich[s]wehr Ministry, adopted a very different attitude. His only criticism was the absence of an air force for two years. He had found the military distinctly pleased that the S.A. and S.S. were to be subjected to a control which would prevent them from becoming a rival body.

5. All three were full of admiration for the drafting of the note and Bülow remarked that it could not fail to have a strong effect on world opinion. He was anxious to know whose work it was.

Yours ever,  
ERIC PHIPPS

#### No. 245

*Mr. Campbell (Paris) to Sir J. Simon (Received February 2, 1.0 p.m.)*

*No. 25 Telegraphic: by telephone [W 1187/1/98]*

PARIS, February 2, 1934

M. Daladier received me last night. He had read our disarmament proposals and had had a brief consultation with his officials. He could not of course express any opinion on our memorandum either as a whole or in part<sup>1</sup> and allowed me to do most of the talking.

2. I explained that His Majesty's Government had been led to put forward their scheme by strong necessity of preventing collapse of the Disarmament Conference. Of all the solutions the worst seemed to them that there should be no convention at all; only a shade less bad would be a convention which did no more than limit without reducing the armaments of highly armed Powers. If a convention were to be possible it was necessary to take account generally of realities of the situation (if nothing were done Germany would soon denounce Part V of the Treaty of Versailles) and in particular of results

<sup>1</sup> In the confirmatory copy of this telegram received later by bag the text here read: 'He was disinclined however to express . . . either as a whole or in detail'.

of bilateral conversations. It was useless to go on offering Germany what we knew she would refuse. There was a chance that she might still accept a reasonable settlement but soon she would listen to nothing at all. In the circumstances it was inevitable that our proposals should be in some respects disagreeable to France but they were also disagreeable, perhaps more so, to Germany. If there were to be agreement there must be further sacrifices in several quarters but would these not be meanwhile out-weighed by the natural advantage of<sup>2</sup> avoiding a situation which must eventually lead to a general race in armaments?

3. After making use of all the arguments contained in your despatch No. 54 [154]<sup>3</sup> and your telegram No. 34<sup>4</sup> I then drew M. Daladier's attention to certain aspects of our proposals, to wit: our acceptance of control; the passage about the para-military formations; that relating to aviation; the fact that Germany would only obtain both the few non-Versailles arms that are to be allowed to her and the necessary increase of quantities of Versailles arms as and when transformation of Reichswehr proceeds; the fact that plan is conditional on Germany's return to the League; and last but not least they were guaranteed of execution<sup>5</sup> which M. Daladier acknowledged was an important advance (Quai d'Orsay officials are inclined to be sceptical of it<sup>6</sup>).

4. Chief of M. Daladier's few observations were directed to (1) the para-military formations and (2) control. As regards (1) he admitted that it was useless to demand abolition of these bodies and that next best thing was to subject them to control but maintained that they constituted an overwhelming difficulty for France. As regards (2) he asked whether our intention was that control should operate before entry into force of convention i.e. whether a previous inventory would be taken in order to show in what quantities arms to be allowed under a convention are already illicitly in existence. I said was it not possible that Germany<sup>7</sup> would certainly refuse and that I could think of nothing more calculated to upset all chance of a settlement. Surely illicit arms would come to light when control was established and could thus be calculated in the allowance.

5. As a general observation M. Daladier remarked that our plan seemed to combine from French point of view the worst of every other and referred to more favourable aspect of German proposal as enabling France to maintain indefinitely her present margin of superiority. I said I felt sure that if he would examine our plan very carefully as soon as he had leisure he would appreciate that it contained many good features. As to German plan he must not take it for granted that His Majesty's Government would participate in a convention which contained no disarmament whatever. This would mean the end of collective action which in turn might mean that France would have

<sup>2</sup> The later text read: 'would these not be more than outweighed by the advantages of'.

<sup>3</sup> No. 209.

<sup>4</sup> No. 225.

<sup>5</sup> The later text read: 'and last but not least the increased guarantee of execution'.

<sup>6</sup> The later text read: 'to belittle it'.

<sup>7</sup> The later text read: 'I said that was not the intention, that Germany . . . '.

to depend on her own resources without the benefits of a general convention, the strict observance of which would be the interest of all signatories. This seemed to make some impression on him.

6. M. Daladier was guarded throughout and it was clear not only that he had formed no definite opinion but had not been able to give much thought to the matter. He was, however, receptive and so far as interview went I was on the whole not disappointed.

Repeated to Berlin and Rome.

#### No. 246

*Sir W. Selby (Vienna) to Sir J. Simon (Received February 2, 2.15 p.m.)*  
*No. 21 Telegraphic [R 685/37/3]*

VIENNA, February 2, 1934, 1.40 p.m.

Communiqué issued last night after meeting of Council of Ministers states German reply<sup>1</sup> is considered unsatisfactory and that Cabinet have accordingly unanimously decided to 'take further steps forced upon them by circumstances'.

I expect to see Chancellor today.

<sup>1</sup> For the text of the German reply, see No. 259.

#### No. 247

*Sir E. Phipps (Berlin) to Sir J. Simon (Received February 2, 2.45 p.m.)*  
*No. 56 Telegraphic [W 1197/1/98]*

BERLIN, February 2, 1934, 1.51 p.m.

I have reason to believe that Prince Bismarck has told the Chancellor that a very influential section of British public opinion strongly favours non-interference in European affairs whatever the upshot of disarmament negotiations may be.

This may well have an unfortunate influence upon German attitude for the Chancellor has a high opinion of Prince Bismarck who writes to him regularly direct.<sup>1</sup>

<sup>1</sup> Mr. Stevenson and Mr. Sargent minuted this telegram as follows: 'This is unfortunate and is reminiscent of von Kühlmann's expressions of opinion in regard to our attitude in 1914. R. Stevenson.' 'But is not Bismarck unfortunately right? O.G.S.'



No. 248

*Sir J. Simon to Sir E. Drummond (Rome)*

*No. 52 Telegraphic [W 1271/1/98]*

FOREIGN OFFICE, *February 2, 1934, 9.30 p.m.*

1. It is generally recognised here that Signor Mussolini's publication on Wednesday<sup>1</sup> followed by ours on Thursday betoken close Anglo-Italian co-operation and this is widely welcomed. Our memorandum on disarmament has a good press here. There will be a debate on the subject in the House of Commons on Tuesday when we hope to get general support for it.

2. With reference to your private letter of January 29,<sup>2</sup> we did not communicate our document simultaneously to six Powers, but to three. We obviously had to let Hitler have it before he spoke on Tuesday and were equally bound to communicate it to Paris, especially as Hitler might refer to it in his speech as he did. I had no knowledge that the Italian document shown to me on January 3 was not confidentially communicated also to Berlin and Paris. Signor Mussolini, as I understood, told me that I was at liberty to let other[s] know his views though I did not in fact do so. We indicated general contents to some other Powers. We gave no copy at the same time.

3. As soon as the debate is over the Government may be sending Mr. Eden to Paris, possibly following this up by his proceeding to Rome and Berlin, to give explanations and to ascertain extent of agreement and where real difficulties lie. His mission would not be to negotiate but to enquire and report. Upon his return the question would arise what our next step should be.

4. This project should be kept entirely secret until I announce it in Tuesday's debate. I should like, however, to learn from you as soon as possible your views on the proposed action. If possible they should reach me for consideration on Monday morning.<sup>3</sup>

5. If the method referred to in paragraph 3 was adopted and produced good results as a means of preparation, a meeting of principals from several States together would be manifestly very desirable.

<sup>1</sup> January 31.

<sup>2</sup> No. 234.

<sup>3</sup> Sir E. Drummond replied on February 3, in Rome telegram No. 41, that a visit by Mr. Eden would 'without doubt' be very useful and he hoped that the order would be Paris, Rome, Berlin.

No. 249

*Sir J. Simon to Sir E. Phipps (Berlin)*

*No. 38 Telegraphic [W 1271/1/98]*

FOREIGN OFFICE, *February 2, 1934, 9.30 p.m.*

1. Our memorandum on disarmament has a good press here. There will be a debate on the subject in the House of Commons on Tuesday<sup>1</sup> when we hope to get general support for it.

<sup>1</sup> February 6.

2. As soon as the debate is over the Government may be sending Mr. Eden to Paris, possibly following this up by his proceeding to Rome and Berlin, to give explanations and to ascertain extent of agreement and where real difficulties lie. His mission would not be to negotiate but to enquire and report. Upon his return the question would arise what our next step should be.

3. This project should be kept entirely secret until I announce it in Tuesday's debate. I should like, however, to learn from you as soon as possible your views on the proposed action. If possible they should reach me for consideration on Monday morning.<sup>2</sup>

4. I have received through Ehlers, the Berlin lawyer and a personal friend, who is in close touch with Hitler, an indirect hint that a visit from me would be welcomed. But such a project would only be justified if practical results were clearly envisaged and at the present stage what is needed is enquiry and explanation which will be best done by the method above proposed. If the method proves successful as a means of preparation, a meeting of principals from several States together would be manifestly very desirable.

<sup>2</sup> Sir E. Phipps replied on February 3, in Berlin telegram No. 60, that he had every reason to believe that a visit from Mr. Eden would be welcome in Berlin.

#### No. 250

*Sir J. Simon to Mr. Campbell (Paris)*

*No. 14 Saving: Telegraphic [W 1271/1/98]*

FOREIGN OFFICE, *February 2, 1934*

1. Our memorandum on disarmament has a good press here. There will be a debate on the subject in the House of Commons on Tuesday<sup>1</sup> when we hope to get general support for it.

2. As soon as the debate is over the Government may be sending Mr. Eden to Paris, possibly following this up by his proceeding to Rome and Berlin, to give explanations and to ascertain extent of agreement and where real difficulties lie. His mission would not be to negotiate but to enquire and report. Upon his return the question would arise what our next step should be.

3. This project should be kept entirely secret until I announce it in Tuesday's debate. I should like, however, to learn from you as soon as possible your views on the proposed action. If possible they should reach me for consideration on Monday morning.

4. I understand that M. Daladier is meeting the Chamber on Tuesday. Would it be of advantage to inform him on Tuesday morning of Mr. Eden's intended visit and its purpose? If you so advise Mr. Eden would reach Paris on Wednesday and might stay a couple of days. Is there any other action on my part which you would suggest to help to prevent French opinion harden-

<sup>1</sup> February 6.

ing against our memorandum? I have telegraphed private good wishes to M. Daladier and received a cordial response. Do you think that a personal letter from myself to be delivered to him on Tuesday morning would be helpful?<sup>2</sup>

<sup>2</sup> Mr. Campbell replied on February 4, in Paris telegram No. 28, that he was very doubtful of the expediency of Mr. Eden visiting Paris until the internal situation there was clearer. During the debate on disarmament in the House of Commons on February 6, Sir J. Simon announced that Mr. Eden would shortly visit Paris, Rome, and Berlin, although owing to the situation in France the date was not fixed. See Parl. Deb., 5th ser., H. of C., vol. 285, cols. 996-7. It was later arranged that Mr. Eden should arrive in Paris on February 16, Berlin on February 19, and Rome on February 23.

### No. 251

*Mr. Campbell (Paris) to Sir J. Simon (Received February 3)*

*No. 36 Saving: Telegraphic [W 1199/1/98]*

PARIS, February 2, 1934

My telegram No. 25.<sup>1</sup>

M. Daladier repeated to me, though in somewhat different form, the information given me by M. Léger (my telegram No. 23 Saving<sup>2</sup>). He said that they knew for a fact that plans were now complete for splitting the various units composing the Reichswehr into three, the two-thirds shortage in each unit to be made good by men already trained in the S.S. and S.A. The process would be complete by the end of April when Germany would thus have 28 divisions as against the 20 divisions comprised in the French metropolitan army.

2. He said this information had been kept very close owing to the excitement which it would arouse, and that it was known only to the President of the Republic and one or two other persons. As he said he gave it me for my personal information only, please make no open reference to it.

3. Whatever foundation there may, or may not, be for it, it was evident that M. Daladier himself believes it and is immensely impressed by it.

<sup>1</sup> No. 245.

<sup>2</sup> No. 199.

### No. 252

*Sir J. Simon to Mr. Campbell (Paris)*

*No. 38 Telegraphic [W 1187/1/98]*

FOREIGN OFFICE, February 3, 1934, 2.30 p.m.

Following from Sir R. Vansittart.

Your telegram No. 25.<sup>1</sup>

Your language seems admirable and much to the point.

Please continue to take the same line if occasion requires and do what you can to persuade the French Government, in their own interest no less than in

<sup>1</sup> No. 245.

ours, not to take the lead in rejecting our proposals. This role, if it is to be played at all, should be left to the Germans. Letter<sup>2</sup> follows, showing this to be not unlikely.

Should you have occasion to develop the arguments recorded in paragraph 3 of your telegram, please bear in mind that the references in our memorandum to supervision and to Germany's return to the League are both carefully phrased and should not be pressed further than the terms of the memorandum warrant.

<sup>2</sup> See No. 255.

**No. 253**

*Sir J. Simon to Sir E. Phipps (Berlin)*

*No. 144 [C 778/138/18]*

FOREIGN OFFICE, *February 3, 1934*

Sir,

The German Ambassador called on Sir Robert Vansittart on January 27 to announce officially the conclusion of the Polish-German Agreement, at which he was obviously very pleased. Herr von Hoesch went back some ten years in recounting the constant pressure put upon Germany by France to give some assurance in regard to the Polish-German frontier, and said that he considered that this demand had now been met and that French security should be amply satisfied.

2. The Ambassador asked Sir Robert Vansittart to inform me of this auspicious event, as he considered it, and Sir Robert promised to do so, adding that he felt sure that I would be gratified at the news. Sir Robert added his own congratulations and said he should look forward with the greatest interest to getting the text.

3. Herr von Hoesch said in conclusion that he really thought that his Government had taken a great step in advance, and that they had made, in his opinion, some real concessions to the Poles. For example, it had been stipulated that the present agreement would not affect in any way Poland's existing agreements, in which, of course, were included, Herr von Hoesch said, Poland's military alliances with France and Roumania.

4. It was quite clear that the Ambassador felt this to be an occasion when his country deserved praise. This view Sir Robert Vansittart also shared and did not fail to indicate.

I am, &c.,  
JOHN SIMON

*Letter from Sir E. Drummond (Rome) to Sir R. Vansittart*

[R 918/37/3]

BRITISH EMBASSY, ROME, *February 3, 1934*

Very many thanks for your two letters of January 26th<sup>1</sup> and 30th<sup>2</sup> respectively about this vile Austrian problem.

Let me preface my reply by saying that I hope you do not think either that I am identifying myself with or even defending Italian policy. As I see it, the main part of my job here is, to put it shortly, to inform you of the facts and tendencies of Italian policy, to try to explain the reasons and motives which inspire these and lastly, when His Majesty's Government consider that policy to be wrong and desire it to change, to do my best to persuade the Italian Government to give it the right twist. I fear that in reporting one is unhappily liable to use phrases which can be misinterpreted and may give the impression that one shares the Italian views; but I know that you will read my letters in the light of the premises I have set out.

A second preface: I wish I could have a talk for an hour or two with you on the Austrian problem. It is so difficult to get an exact appreciation of the situation in writing. If you think at any time it would be worth while my coming over, you have only got to phone or wire me. I expect that for the next fortnight or so we shall be in a state of suspended animation as regards disarmament, so a short trip would be easily possible. Now to our muttons.

I believe we can assume with certainty that the Italians do not want to see (a) the Germans (b) the Nazis in possession in Austria; but I equally feel sure that they are very puzzled as to how to prevent it. It may be that they were wrong not to join in co-operating with us and the French last summer, and that joint pressure on Germany would at that time have had the desired effect. But they refused because of their fear of the consequences of the isolation of Germany and of their belief that they were going to be able to restrain her by what they thought was their special influence. So we must leave it at that. Their present plan seems to be to encourage Dollfuss to build up an Austro-Germanic programme, hoping by that means he will be able to create an enthusiastic and adequate following; beyond that they appear to have little, if anything, to suggest except the economic help to which your letter refers.

So I come to your second letter.

The Italians give four reasons for not favouring an Austrian appeal to the League. I should remark in parenthesis that Suvich has certainly misled my French colleague on this point, as you will see from my telegram No. 30<sup>3</sup> that the latter went away with the clear impression, and was very pleased with it, that Italy would not discourage Austria from making such an appeal. Probably, however, the Italian Government do not really like the idea of an

<sup>1</sup> This letter has not been traced in Foreign Office archives.

<sup>2</sup> No. 238.

<sup>3</sup> No. 222.

appeal. When they say League procedure would delay matters, what I suspect to be at the back of their minds is that they hesitate, after what they have said about the League previously, to encourage its use in a matter of great interest to them. Rather childish, I agree. There is another point: they feel that at Geneva the Little Entente, particularly Benes and Titulesco, would play a big role, and they dislike that, and them.

The other objection, that Austria would lose her freedom of action, is probably based on the idea that the League would ordain the *status quo* in Austria, and Dollfuss would thus be prevented from taking the administration of Vienna away from the Socialists, a step to which they attach much importance.

If what I have tried to set out is correct, then the recommendation (1), viz. an explicit declaration in favour of any Government which defends the independence of Austria, is comprehensible. It is in keeping with the plan to encourage not specifically Dollfuss but the Germanic mission of an independent Austria.

And there is one further thought that I feel sure looms large in the Italian mind as regards a League appeal. Supposing it eventuates and the League declares Germany to be guilty, what then, unless Germany bows her head and accepts, and I doubt if the Italians think this is likely to happen? If she tells us all to go to the devil?

I have tried to explain at some length what I believe to be the Italian position on the problem. I can of course go and talk to Suvich again, though last time he exclaimed 'But I have already given you all my views on Austria', which rather confirmed my suspicion that he had not found an effective policy. I know his first question would be a repetition of the one he put to me the other day: 'Would His Majesty's Government like Austria to appeal to the League?' And when I say that is clearly a matter for Austria herself to decide, it rather brings that particular aspect of the subject to a close: I doubt, in fact, whether he would be able to shed any fresh light on Italian policy at this moment.

ERIC DRUMMOND

No. 255

*Letter from Sir R. Vansittart to Mr. Campbell (Paris)*

[W 1148/1/98]

FOREIGN OFFICE, *February 5, 1934*

I enclose a copy of an interesting letter from Phipps to Sargent<sup>1</sup> in which he gives the reactions of von Bülow, Dieckhoff and Frohwein to our disarmament memorandum. It is a typically German reaction and we can only hope that the Chancellor himself will be more moderate and statesmanlike than his underlings. It is becoming more and more clear to us that the real opposition to our proposals will in the long run come from the Germans and not

<sup>1</sup> See No. 244.

from the French. The record of your conversation with Daladier in your telegram No. 25<sup>2</sup> gives us some ground for hoping that the French, once they have got over their first frenzy, will find enough good in our proposals to warrant their taking them as a basis of discussion, and that they will in the end realise that there is no alternative if the convention and the League of Nations are to be saved.

You should therefore follow up the admirable language you used to Daladier by using your influence to prevent the French, and especially M. Léger (who may be more prone to take a more foolish line than others), from taking the lead in rejecting our proposals. I have always expected the Germans to prove insatiable, and Phipps' letter seems to bear out this forecast. In that event, it is important that the Germans should be allowed to reveal themselves unmistakably in their true light so that our own public, which is in a state of confusion and bewilderment, should have a clear sight of where the true issues lie. It is the Germans who are the danger of the future and not the French. It would be a disaster if the wrong party should be seen by the public eye in the role of the obstructionist and disturber of the peace. And it is important that German propagandists and advocates should find no further material to mislead our public as they did on a notable occasion last October. We may hope, though we can hardly expect, that our present plan will succeed. If it does not, the re-education of our public will certainly have begun, unless of course M. Léger and his friends are stupid enough to blunder on to the centre of the stage. It is this which it is, in the interests of the French no less than of ourselves, important to avoid.

R. VANSITTART

<sup>2</sup> No. 245.

### No. 256

*Letter from Mr. Campbell (Paris) to Mr. Sargent*

[C 970/20/18]

BRITISH EMBASSY, PARIS, *February 5, 1934*

Thank you for your letter of the 22nd January<sup>1</sup> and the admirable little paper,<sup>2</sup> enclosed with it, about the French idea of appealing to Article 213.

I have always felt, like you, that it would be most undesirable, on account not only of the embarrassment which it may cause to us, and of the possible breach in Anglo-French relations which would very likely ensue, but even also from the point of view of France herself. I have on several occasions in conversation with Léger, and once with Boncour, attempted, speaking quite personally, to warn them that they must not count on our following them in such a course. On the strength of your letter I took the opportunity of a recent interview with Léger to repeat this warning in a rather more forcible manner, though still of course quite unofficially.

<sup>1</sup> No. 196.

<sup>2</sup> Not printed. See No. 196, note 2.

The difficulty is that the French Government at one time and another have alluded publicly to their rights under Article 213. The question of appealing to these rights has been mentioned several times in Parliament, and is frequently referred to in the press. The result is that there is quite a strong popular demand for an appeal to the article which a weak Government here may find it impossible to resist, even if they wished to do so. The Quai d'Orsay are clearly in favour of it, with the reservation that the step must be taken at the proper time, and not prematurely. It is due, I think, to their influence that the French Government have so far stayed their hand. Their idea, I think, is: first, that France must adhere closely to the treaties and not let any right go by default for fear of weakening her own case in endeavouring to hold Germany to her obligations (except where they may be modified by common agreement); secondly, to show Germany up to the world in a more definite way still than she has already done herself by her own acts. If an investigation were demanded of, and agreed to by, Germany, the French have no doubt that it would result in showing a substantial violation of Part V of the treaty. If Germany refused to accept an investigation, she would equally stand condemned before the world. In either event, the French believe that at this stage world opinion would unite against Germany, without further hesitations from any quarter. There is a feeling that it is the duty of the French Government *vis-à-vis* its public to utilise the knowledge which it is known to possess (the French dossier) to convince the world of the justice of the French case. Lastly, the French mind clings to proceeding according to the law, and applying in their regular sequence each of the prescribed stages. Thus, they would shrink from adopting restraining measures, or from taking a final decision of any kind, until Germany had been *legally* convicted of default. This sense of legality is very strong and is always cropping up.

When I said the other day to Léger that it might be very embarrassing if the French appealed to the Council and it transpired that we were not prepared to support them in demanding the application of Article 213, he replied that, if we deprecated such a demand, we had merely to abstain from voting for it. At the back of his mind I think he felt that when the time came British public opinion would prevent His Majesty's Government from publicly taking the German side on such an issue. As to what would happen if the Council voted in favour of the application of the article and Germany resisted it, I do not think the French have really followed things out to their final conclusion. Originally, they began talking rather lightly of Article 213 without working out the full implications.

The above was written before the Government fell<sup>3</sup> and the situation is now of course slightly modified. Whilst reference to Article 213 was a favourite idea with Boncour who always advocated action through the League rather than through any other machinery, Daladier is less wedded to legal forms or to League machinery as such. It is interesting to observe, however, that when I saw him on February 1 he asked whether the proposed control under the

<sup>3</sup> i.e. the resignation of M. Chautemps's Government on January 27. See No. 220, note 5 and No. 235, note 2.



British Plan was to come into operation before the convention itself began so as to reveal the arms which Germany already possessed illegally. This is really the same idea cropping up in a different form.

Nonetheless I think the possibility of a French appeal to Article 213 is somewhat more remote than it was a month ago. We will continue to give expression to your views on the subject when occasion offers and will of course keep you informed should it look like coming again to the fore.

RONNIE CAMPBELL

**No. 257**

*Sir E. Phipps (Berlin) to Sir J. Simon (Received February 8)*

*No. 28 Saving: Telegraphic [W 1384/1/98]*

BERLIN, February 7, 1934

Paris telegrams Nos. 23 Saving<sup>1</sup> and 36 Saving.<sup>2</sup>

1. Military Attaché considers that the method mentioned by M. Daladier for increasing the Reichswehr is likely to be adopted in due course, and he has heard rumours of preparations to duplicate some units, but he knows of no indications which would lead him to suppose that the process would be completed either by April 1 (see No. 23 Saving) or end of April (No. 36 Saving). There is reliable evidence that the Reichswehr Ministry are concentrating on building up the necessary supply of officers and N.C.O.'s for the enlarged army while the S.A. are undertaking the preliminary stages of training future recruits. There appears to be no political reason for unduly rushing the process, especially in view of the Polish Declaration. It is unlikely that the Reichswehrministerium will be in a position to accommodate the extra 200,000 personnel and proportionate number of horses by April this year, as there is no evidence of new buildings or of eviction of police from pre-war military barracks.

2. The disguised police force mentioned in telegram No. 23 Saving probably refers to the S.S. formations who at present co-operate closely with the police and who have identical commanders.

3. The Reichswehrministerium are most unlikely to contemplate the creation of a long service professional army outside the Reichswehr and the Military Attaché understands that all long service personnel will be hidden away within the proposed short term army.

4. This story from Paris resembles one circulated by the French and Poles last summer when the date given was October 1, 1933.

5. Should not the number of the German divisions given in telegram No. 36 Saving be 21 and not 28?

<sup>1</sup> No. 199.

<sup>2</sup> No. 251.

*Sir E. Phipps (Berlin) to Sir J. Simon (Received February 12)*

*No. 146 [C 982/29/18]*

BERLIN, February 7, 1934

Sir,

I have the honour to report that the internal situation has not changed materially since the end of November, when I last surveyed it.

2. The enthusiasm engendered by Herr Hitler's defiance of European opinion and Germany's dramatic departure from the League has been largely used up. Indeed, several stimulants have been administered in the meantime, but the reaction has been feeble and the régime is now governing almost unaided. The inclement winter has naturally had its effect on the country, and the failure of the export trade to show signs of revival has damped the spirits of the urban population. The country folk, though prices for their products have been maintained by official intervention, are charged with the duty of maintaining as many of the farm hands as possible during the winter months and are, in consequence, a little dispirited.

3. So far there is no sign of serious disaffection within or without the party. The régime is so firmly buttressed, and the S.A. so loyal and disciplined, that only a serious upheaval or a slow process of disintegration from within would endanger it. Though no such movements are perceptible, it does not follow that there is no opposition. A very widespread opposition exists, but it is confined to those classes which prefer normally to express it with ink and paper rather than with those violent arguments which the Nazis understand. Thanks, therefore, to the rigorous supervision exercised by the party machine and the censorship of the press, it remains imperceptible to the uninitiated.

4. The opposition camp is made up of heterogeneous elements, the Communists, the *intelligentsia*, the two great branches of the Christian Church, the land-owning class, the aristocracy and, to some extent, the armed forces. The Evangelical Church continues to carry on a courageous struggle for freedom of conscience in accordance with the Lutheran tradition. This opposition suffered a serious reverse quite recently (see my despatch No. 143<sup>1</sup> of the 6th February), but the fight is likely to continue. The opposition of the Catholic Church is subterranean, though in some cases in the southern States it has come into open conflict with the authorities, and I have heard that the number of priests arrested numbers about three hundred. The law for the sterilisation of the unfit is naturally causing difficulties, but the retention of Herr von Papen in the Cabinet has so far staved off an open conflict. Herr Hitler is for the moment compelled to tolerate a certain amount of Catholic indiscipline lest he should antagonise the Saar population on the eve of the referendum. In addition to the churches, a great body of enlightened opinion remains hostile to the methods of the new régime, and particularly to such actions as the execution of the mentally deficient incendiary, van

<sup>1</sup> Not printed.

der Lubbe. It will be remembered that the Government, after the Reichstag fire, passed an Act of Parliament imposing the death penalty for 'political arson' with retrospective effect. Even in a country where the events of the last twelve months have blunted the sense of justice, this has proved too monstrous to pass muster, and many thousands of letters of protest have been addressed to the Brown House by sincere Nazis. It was bad enough, many of them wrote, to pretend that van der Lubbe's action did not help the party to victory, but to go to the length of executing van der Lubbe, by way of lending force to the argument, was indefensible.

5. The opposition of the landowners and aristocracy is of more recent growth. Deprived of influence in local affairs and compelled to consult the local party bosses before dismissing their employees, the landowners began to realise during the autumn that the Nationalists had made a bad bargain when they helped Hitler into office. The idea of a monarchical restoration gained ground with great rapidity during the winter, when the trend of events caused them to realise that their influence was waning. Both President Hindenburg and the ex-Kaiser are advancing in years, and there can henceforth be little doubt that the succession to the presidency will devolve on Herr Hitler. Feeling that there was no time to be lost, the supporters of the Hohenzollerns became active during January, and, under the guise of birthday parties to celebrate the ex-Kaiser's 75th year, they unwisely indulged in reactionary speeches, even in Berlin and Munich. It was only when the Minister of the Interior, Dr. Frick, ordered the dissolution of all monarchist organisations that the aristocracy awoke to the disastrous nature of the change which had taken place in the year 1933.

6. The decision to abolish the Stahlhelm (for their complete incorporation in the S.A. amounts to abolition) is a further blow to those reactionaries who welcomed Hugenberg's alliance with Hitler so ardently in 1931. To complete their discomfiture, the monarchist Old Comrades' Association, the 'Kyffhäuserbund', of which the President himself is patron, was forced to accept a Nazi president in place of General von Horn, a convinced monarchist and reactionary. In these circumstances it is not surprising that the armed forces, officered by the landowning classes, continue to remain aloof from the new régime. Gentle attempts at Government propaganda are now being made, presumably by permission of the President. At all events, Dr. Goebbels is being allowed to visit the garrisons and expatiate on the merits and significance of the National Socialist revolution. As the Minister of Propaganda is the only Nazi to whom intelligent people can listen without yawning and falling asleep, the Nazis have had the good sense to entrust him alone with this delicate mission. Under a recent regulation, the ranks in the S.A. have been officially explained and a list has been prepared showing the corresponding army ranks. Reichswehr officers now find themselves placed below their S.A. colleagues by zealous hostesses anxious to placate the new régime. This has not made for greater harmony between the regular army and the newcomers.

7. There is, as I have already stated, no organised opposition, and the

Nazi party professes to see nothing but a loyal and homogeneous population throughout Germany. Nevertheless, when a public meeting is called, it is still carefully packed and surrounded by a strong contingent of brown shirts. For, despite the 90 per cent. vote of last November, an audience cannot be trusted to applaud at the right moment. Nazi newspapers still form a class apart and the remaining newspapers form a kind of opposition, which is one of the special features of the present situation. Two-thirds of the shrunken body of newspaper readers continue to read the Opposition organs, and all attempts to remedy this state of affairs have been without success. It may in part be due to the fact that the established newspapers have better and more experienced journalists than their Nazi competitors. Their technical and intellectual superiority to their rival[? s] is still painfully obvious.

8. In the absence of any organised opposition, the attitude of the masses in town and country remains the determining factor. This is still favourable to the new régime. It is true that, owing to the severity of the winter, the S.A. formations have dwindled considerably. To avoid arousing disaffection the men are not compelled to parade or report for service except on special occasions. The number of uniforms in the streets has consequently diminished, but it is to be presumed that the men will recover their enthusiasm when the weather improves.

9. The stimulants to which the Government have had recourse may now be described. For many months the working classes have been told that the Government were organising a vast movement on the Italian model to provide recreation for the working classes. The scheme was launched in November with every circumstance of publicity. In almost every respect it conformed to the Italian model. The best artists, musicians and lecturers will, in future, be expected to devote at least a month each year to the entertainment of the workers. Culture and the drama are to be brought into the remotest villages. To families which were finding it hard to make both ends meet, these promises made little appeal, and attention was soon diverted to a newer and greater scheme announced in still more grandiloquent language, namely, the provision of a permanent and inviolable charter for German labour. The new charter was to be the most important piece of social legislation which the civilised world had ever conceived (see my despatch No. 139<sup>2</sup> of the 6th February). After the usual publicity campaign, the text was published on the 20th January. Like so many other Nazi numbers, it professed to abolish 'decrepit Marxist conceptions' and replace them by new and grandiose ideas from the intellectual arsenal at the Brown House. On analysis, it soon emerged that the existing edifice had been treated, as so often before, to a coat of brown paint, and that the Labour legislation of the last fifteen years, which was to be scrapped, was to be taken over practically intact by the Third Reich, new names and new phraseology being provided for existing institutions and existing principles. The Marxist 'shop councils' are henceforth to be called 'confidential councils'. The arbitration courts, composed of representatives of employers and employed

<sup>2</sup> Not printed.

under an impartial chairman, are replaced by 'labour trustees', who will fulfil the same functions in very much the same way. The labour trustees' decision is final in the case of labour disputes or wage agreements, but as the right to strike was already abolished by the Hitler régime, this is no innovation. The most that can be said of the new and elaborate façade is that it gives the Government power to come down more easily on one side of the fence or the other. If they wish to support labour, they can punish or remove the employer, who is henceforth called the 'leader'. If they wish to support the employer or leader, they can penalise his 'following', or employees. In point of fact, all that can be said is that everything depends on the instructions given to the so-called 'labour trustee' by the Government, exactly as everything depended heretofore on the instructions given by the Minister of Labour to the arbitration boards. A kind of semi-military jargon has been introduced in the new measure, which talks incessantly of the labour front, of attacks and onslaughts, of leaders and followers, of victories and triumphs.

10. As a stimulant, the decision of the Government to crush the monarchists and deprive the Stahlhelm of their field-grey uniform (see my telegrams No. 50<sup>3</sup> of the 30th January and No. 27 Saving<sup>3</sup> of the 3rd February) was more potent than either of the foregoing measures. Not only the Nazi rank and file, but the one-time Communist and Socialist masses are now enjoying the discomfiture of the extreme Right. It is the first unambiguous indication on Hitler's part that his régime is not a disguised reactionary Government, for hitherto all his so-called innovations have been as ambiguous in character as his utterances. Again, the decision to shelve the Polish-German quarrel for ten years and to conclude non-aggression pacts with Germany's neighbours seems to point in the same direction. Hitler's popularity with the masses has, if anything, been enhanced by the events of January, and there is greater hope now that he will make use of the powers given him by the 'Charter of German Labour' to come down on the workers' side when the occasion arises.

11. On the whole, the Nazi régime is well satisfied with its first twelve months of office. The most unsatisfactory feature from its point of view is the obstinate and taciturn opposition of the *intelligentsia*, which has so far proved intractable. Both Goebbels and Hitler keenly feel the lack of prestige of the new Government in enlightened and cultured circles. They are under no illusions on this point. They and their ideas are looked upon askance by precisely the class which they are most anxious to impress. Empty theatres, bankrupt bookshops, starving authors, artists and composers are a constant reminder that the cultural life of Berlin is threatening to expire under the Nazis. To open the flood gates of criticism would revive the drooping plant, but this is too dangerous a remedy for Dr. Goebbels.

12. In this, as in many other respects, the Nazi leaders are in a dilemma. They badly want to have their own cake and they badly want to eat it.

<sup>3</sup> Not printed.

Before the advent of Hitler the intellectual life of Germany was the most original, if the least edifying, in Europe. German music, plays, films, novels and broadcasting were remarkable for a certain vitality and freedom of outlook. Hitler and Goebbels who, unlike their followers, are intellectuals and artists in their particular spheres, find it dull to play to a half-witted or non-appreciative gallery. After a special effort they have only to read the press to perceive that their own newspapers are merely being fulsome and that the Opposition newspapers are deliberately maintaining a discreet silence or damning with faint praise. It is as though a tennis champion had to play at Wimbledon, before a silent audience, a machine providing a constant amount of mechanical applause at the end of each game. The Government have so far made every effort to fill the opera houses and the theatres. The S.A. and the new officials have been enjoined to attend the State theatres, but neither precept nor propaganda has had any effect. The book-shops, the concert halls, the theatres, the art exhibitions, remain obstinately empty. Apart from its prestige and propaganda value, the artistic life of the country had a very definite market value as the Nazis have now discovered. Some 60,000 refugees left Germany during the year 1933, and it would seem as if the cream of Germany's intellectual life had been skimmed by this exodus. An attempt by General Göring to lure the emigrants home again was defeated early in January by the hot-heads in the party, who commenced a campaign against the return of Marxists and Jews. Göring and Goebbels have now adopted more cautious tactics, and the police have been instructed to draw up lists of those persons against whom there are charges pending if they return to Germany. It is evident, the official statement continues, that a great many useful citizens, for some obscure and incomprehensible reason best known to themselves, have left Germany and are afraid to return. Those whose names do not appear on the official list are cordially invited to return, and there is hardly any doubt that they would be treated like so many prodigal sons by Dr. Goebbels and the Ministry of Propaganda.

13. When the first year of the Hitler régime is reviewed, its only outstanding success is to be found paradoxically enough in the domain of foreign affairs. Contrary to all expectations and to the warnings of the over-cautious, Hitler has obtained a greater measure of recognition for Germany's claims than any of his predecessors. At home, the socialism which he promised as soon as the 'incompetent machinery of democratic government' had been swept aside is still non-existent. The shadow has repeatedly been given to the workers in place of the substance, and it remains to be seen whether, in the long run, this will satisfy the great masses of the German population.

I have, &c.,

ERIC PHIPPS

No. 259

*Sir E. Phipps (Berlin) to Sir J. Simon (Received February 9)*

*No. 151 [R 812/37/3]*

BERLIN, February 7, 1934

Sir,

In accordance with the instructions contained in your telegram No. 39<sup>1</sup> of the 5th February, I have the honour to transmit to you herewith the text<sup>2</sup> of the German Government's reply of the 31st January to the Austrian note of protest of the 17th January,<sup>3</sup> as published by the official German news agency on the 2nd February. A translation is also enclosed herein.

I have, &c.,

ERIC PHIPPS

<sup>1</sup> Not printed.

<sup>2</sup> Not printed. Sir W. Selby had telegraphed the main points of this reply on February 2.

<sup>3</sup> See Appendix I to No. 201.

ENCLOSURE IN No. 259

*The German Reply to the Austrian Government*

(Translation.)

BERLIN, January 31, 1934

The official Austrian communiqué in regard to the session of the Council of Ministers at Vienna states that the German Government's reply in no way answers the complaints made by the Austrian Federal Government, and contents itself with a mere denial of the individual charges. For this reason the Council of Ministers unanimously declared the German answering note to be unsatisfactory. In view of this attitude on the part of the Austrian Government, the German Government consider it advisable to publish the German reply, which is as follows:—

Reply to the Austrian Minister's memorandum of the 17th ultimo [*sic*]:—

The memorandum contains a one-sided picture of certain events in Austria, and adds to this the charge that these events are to be traced to an inadmissible intervention in the internal political affairs of Austria carried out from Germany. It speaks of a conflict between the two German States and gives the entire question a complexion which puts it in a false light from the start. Before the German Government go into the individual events, they consider it necessary to correct this false point of view.

It is a question not of a conflict between the two German States of a kind covered by the formal conceptions of international law as laid down by the Austrian Government, but of the dispute between the Austrian Government and a historical movement of the whole German people.

National Socialism, which has swept through the population of Germany with elemental force and long ago cast its spell over German Austria, is prevented from following its legal development and its free expansion by all the force at the disposal of the Austrian Government. It is only natural that the feeling of national and spiritual unity between Germany and Austria cannot

be broken by a political frontier and that ideas which can rouse a people cannot be prevented from spreading across the frontier.

The Austrian Government cannot expect that Germany should remain indifferent to a system of government which outlaws and suppresses everything which is filling German people with new courage and new confidence. It is inevitable that the grave internal political conflict in Austria should also have its sympathetic reaction on Germany's relations with Austria. Nevertheless, the German Government have avoided with the greatest care any intervention in the internal political affairs of Austria.

The German Government have repeatedly stated that they are far from cherishing any thought of forcible intervention or of any infringement of treaty obligations. They can therefore only express their most lively surprise that the Austrian Government should, on several occasions, have suspected the German Government of threatening the independence of Austria.

In view of this basic attitude of the German Government it is, contrary to the assertion of the Austrian Government, perfectly obvious that the German Government would be only too pleased if an understanding between the Austrian Government and the National Socialist party could at last be reached. Moreover, nothing has ever been done by National Socialist circles in Germany which might militate against such an understanding. Further, the National Socialist party in Austria has, so far as is known here, itself never refused its co-operation in the solution of the internal Austrian political problem. The Austrian Government know that the meeting between the Federal Chancellor and Herr Habicht, which was arranged as a result of the *démarche* of the Austrian Minister in Berlin on the 1st January through the good offices of the German Government, was cancelled at the last moment not by the National Socialists but by the Austrian Government themselves without any valid reason whatever.

That the German Government have always taken care to avoid anything which might render the situation more critical can be realised by the Austrian Government from the moderation with which the Schumacher case was handled by Germany.<sup>1</sup> Although it was a case of the shooting of a soldier of the Reichswehr by official Austrian frontier authorities on German territory, and although the enquiry held in common placed the sole blame on those authorities, the German Government did everything to make a rapid settlement of this serious incident possible. Nevertheless, the Austrian Government have so far failed to put into effect the promised legal penalties. The German Government must insist on now at last receiving the information then promised in regard to the punishment of the offenders.

After these observations, the German Government desire to go in greater detail into the complaints made by the Austrian Government.

### I.—*The Austrian Legion*

The German Government have already repeatedly rejected as untrue the assertion made by the Austrian Government on several occasions in regard

<sup>1</sup> See No. 88.



to alleged plans for a forcible action by the so-called Austrian Legion against Austrian territory. They would refer above all to their note of the 21st September last, in which they rejected point by point the complaints made.<sup>2</sup> Moreover, as the Austrian Government are aware, the camp at Lechfeld has been completely evacuated and the Austrian refugees divided up among various places, some of which, such as Weiden, lie a considerable distance from the Austrian frontier. There can therefore be no question of any concentration on the frontier.

The statements which—without mentioning names—were recently made to the Ministry for Foreign Affairs by Austrian nationals, who claimed to have belonged to the so-called Austrian Legion, bear clearly the mark of fabrication, and have been found, as a result of the investigations undertaken by the German Government, to be completely inaccurate.

Reference is invited to Annex I<sup>3</sup> for further details.

## II.—*The Despatch from Germany to Austria of Subversive and Explosive Material*

In view of the gravity of the accusation made, the German Government have given a particularly thorough examination to this matter. In the first place, they would draw attention to the severe regulations regarding the carriage of and trade in explosives in Germany, which make it appear impossible that consignments of explosive material could then have been sent to any large extent from Germany to Austria. In addition the German authorities concerned have, for a considerable time, been paying increased care to watching the frontier. It is of course possible that, as a result of the length and of the difficult terrain of the German-Austrian frontier, in certain cases consignments of smuggled goods have escaped the attention of the German frontier authorities—just as, according to the statement of the Austrian Government, they have also clearly escaped the notice of the Austrian officials. The enquiries which have been made have, however, furnished no proof that such acts of smuggling have actually taken place. It is quite impossible that official German or party authorities should have taken part in such smuggling or even have connived at it.

Attention is further invited to Annex II.

## III.—*The Campaign of Hostile Propaganda in the Press*

As regards the complaint about the alleged campaign conducted by the German press against the Austrian Government, it must be remarked that in certain cases attacks have actually been made on the Austrian Government, which, however, only represent the answer to a number of particularly offensive statements in the Austrian press regarding the new Germany. These latter attacks have unfortunately been neither prevented nor punished by the Austrian authorities, but have, on the contrary, in spite of the protest of the German Legation in Vienna in more than 200 cases, been continued

<sup>2</sup> See Volume V of this Series, Enclosure in No. 398.

<sup>3</sup> The Annexes to this memorandum have not been traced in the Foreign Office archives and do not appear to have been sent to the Foreign Office.

daily to an ever-increasing extent, with the open support and active co-operation of official Austrian circles.

#### IV.—*Wireless Propaganda*

The Austrian Government's assertion that a campaign of propaganda has been conducted on the German wireless is false. Lectures on the wireless are intended for listeners in Germany and keep the latter informed of developments in Austria. The provisions of the International Radio agreements have been observed in every respect.

The German Government, on the other hand, have, in spite of repeated representations, been constantly forced to note that the wireless has been misused in Austria for intensive propaganda against the new Germany, and that the official news-service itself is not ashamed even of the worst slander.

Further details will be found in Annex III.

#### V.—*Fighting Front of the German Austrians in Germany*

In the same connexion the Austrian Government protest against the establishment of and support given to the Fighting Front of German Austrians in Germany. The German Government would remark that this is a question of a free association of Austrians living in Germany who desire to bring themselves into closer union on a National Socialist basis. No support or assistance has ever been given by the German authorities. On the other hand, too, the activities of the association have hitherto given the German authorities no reason for intervention.

#### VI.—*Journey of Prince Waldeck and Pyrmont*

The journey of Prince Waldeck to Vienna is regarded by the Austrian Government as the proof of a conspiracy against them. In this connexion the following must be stated:—

Prince Waldeck had arranged, with the knowledge and consent of the Austrian Government, to accompany Herr Habicht to Vienna for his meeting with the Federal Chancellor. When this meeting was suddenly cancelled by the Austrians Prince Waldeck travelled to Vienna on official duty in order to obtain information regarding the situation in Austria from the German Legation. He took advantage of this opportunity to visit Herr Frauenfeld, whom he had known for some years, and in whose house he also met Count Alberti. The interpretation of this visit as a conspiracy against the Austrian State appears to the German Government to be even less comprehensible when it is remembered that Count Alberti was the leader of the Lower Austrian Heimwehr, that is to say, a member of the Government party.

In conclusion, the German Government can only express their regret that the Austrian Government should have considered it necessary to make these serious accusations when they could at once have seen how baseless they were from the communications which had been made to them by the German Government on former occasions. The action of the Austrian Government appears the more strange to the German Government in that the

Austrian Government, without awaiting the result of the German investigations, should, simultaneously with their representations in Berlin, have brought the matter to the notice of other Governments.

When the Austrian Government, in addition, declare that they must take into earnest consideration the question of applying to the League of Nations, the responsibility for such a step must remain with them. The German Government are, however, not of the opinion that the present problem, which has its real origin in a purely internal political conflict in Austria, is suitable for international treatment and can be solved in this way.

The Annexes to the reply corroborate the German arguments in detail.

**No. 260**

*Sir R. Lindsay (Washington) to Sir J. Simon (Received February 9, 9.30 a.m.)*  
*No. 59 Telegraphic [W 1436/1/98]*

WASHINGTON, February 8, 1934, 9.11 p.m.

Your telegram No. 39.<sup>1</sup>

I learn that His Majesty's Government's latest disarmament proposal was discussed yesterday at an informal meeting in the Department at which Norman Davis was present. In view of situation in France<sup>2</sup> it was not felt necessary to go deeply into the scheme or to decide for or against this or that part of it but in general the view taken was favourable. It was regarded as a genuine effort to find a compromise with reasonable weight given to disarmament while Italian scheme which appeared simultaneously was looked on as throwing disarmament to the winds and attending only to purely political factors of the situation.

Press comment is still very meagre.

Despatch follows.<sup>3</sup>

<sup>1</sup> Not printed. This telegram of February 1 asked for a telegraphic report on any governmental or press reactions to the British memorandum on disarmament.

<sup>2</sup> The reference is to the riots in Paris on February 6 and the resignation of M. Daladier's Government on February 7. M. Doumergue formed a new Government on February 9 with M. Barthou as Minister for Foreign Affairs.

<sup>3</sup> Not printed.

**No. 261**

*Sir J. Simon to Sir W. Selby (Vienna)*  
*No. 57 [R 839/37/3]*

FOREIGN OFFICE, February 8, 1934

Sir,

Herr Franckenstein called this evening to leave with me a copy of the elaborate dossier (168 pages of German) which constitutes the case which the Austrian Government is thinking of presenting to the League of Nations

under Article 11 (second paragraph) of the Covenant as a complaint against German interference. The Minister at the same time handed me a letter<sup>1</sup> (which is attached as an annex to this despatch), stating that the Austrian Cabinet had decided to bring the dispute with Germany before the League of Nations, but that Chancellor Dollfuss was left to take such measures as he deemed necessary for the purpose. The letter then went on to refer to Italy's suggestion that the three Great Powers, England, France and Italy, should be given an opportunity to consult amongst themselves in regard to the policy to be adopted. Herr Franckenstein explained that this was the reason why he was instructed to place the dossier confidentially in my hands, and the Austrian Government hoped that they might hear the result of the deliberations of the three Great Powers very promptly.

2. I told the Minister that this procedure, though recommended by Italy, had not been concerted between us, and seemed to me to need some consideration. His Majesty's Government had more than once stated that they put no obstacles in the way of Austria's appeal to the League, and that if Austria appealed we should endeavour to do our duty as a member of the League. Was there not a danger, however, that if certain members of the League were invited confidentially to study the dossier in advance, this procedure might be regarded as forming a judgment on what were necessarily *ex parte* statements, whereas the business of the Council was to give an opportunity to both sides to present their respective cases (as was done in the matter of the Anglo-Persian dispute recently), after which the appropriate action was decided upon. I repeated my declaration that British policy stood for the independence and integrity of Austria, while, of course, we had no right or wish to intervene in her internal affairs. But I entertained some doubt as to the wisdom of the procedure now proposed by Italy, and must take a little time to think it over. Indeed, if the three Powers were going to study this vast mass of material and institute a preliminary comparison of views, there was bound to be delay, whereas I understood that the Austrian Government, in view of their difficult situation, with which we sympathised, were anxious to lose no time.

I am, &c.,

JOHN SIMON

<sup>1</sup> Not printed.

## No. 262

*Letter from Sir E. Phipps (Berlin) to Sir J. Simon*

[General 349/5]

BRITISH EMBASSY, BERLIN, February 8, 1934

My dear Secretary of State,

Herr von Ribbentrop, whom I have met once or twice lately, came to see me this morning. He said that he had recently been to England and

had seen you,<sup>1</sup> the Prime Minister and Mr. Baldwin and had discussed various Anglo-German questions, including disarmament, with you.

Herr von Ribbentrop said that he had been frankly very disappointed over the British disarmament memorandum. The aviation proposals were totally unacceptable for Germany who could never consent to remain for two years without any military aeroplanes.

I remarked that whenever any country produced concrete proposals on this thorny question holes would naturally be picked in them by all the other parties. The British plan was not the one that seemed ideally best to His Majesty's Government but one that appeared most likely, owing to its fairness and impartiality, to have the best chance of general acceptance, at any rate as a basis for discussion. It must be remembered, moreover, that the plan provided for the gradual destruction of the offensive weapons of the heavily armed Powers and in that respect gave Germany more than the German Government had asked or even expected. How could he imagine that France could be brought to accept such proposals unless there were some sort of German counter-concession in return? What were two years, I would not say in eternity but even in the lifetime of a country or even of a man? And it must be remembered that in that period strenuous efforts would certainly be made to bring about the total abolition of military and naval aircraft, coupled with stringent regulation of civil aviation.

Herr von Ribbentrop indicated that it had disappointed the German Government to find that the British plan constituted what he might, speaking frankly, describe as a sort of 'Kuh Handel'. I replied that any compromise might be so described but did he really imagine that anything would have been gained by the putting forward of proposals merely accepting the German point of view *in toto* (even if His Majesty's Government had felt inclined to do this)? Would there have been the remotest likelihood of French acceptance? I told Herr von Ribbentrop that it seemed to me probable that a unique chance might now be provided by the possible formation of a strong government of national union in France under Monsieur Doumergue to reach a really sensible and satisfactory disarmament convention, and I felt that it was essential that the opportunity should not be lost.

The fact is that when a German complains of a 'Kuh Handel' he simply means that the maximum German claim has not been satisfied at the outset. Even if it were, the Germans would make strenuous efforts to get something more, as is shown by the fact that all the subordinates of the German Ministry for Foreign Affairs are now bitterly complaining that we only propose to give 6 ton tanks to Germany whilst only destroying gradually the larger tanks and guns of the heavily armed Powers. All this regardless of the fact that Hitler himself was quite willing to leave all heavy offensive weapons intact and only asked for these small tanks. The German appetite, in fact, is insatiable: the biggest beefsteak is merely a hors d'œuvre for them.

In the course of our conversation, Herr von Ribbentrop somewhat awk-

<sup>1</sup> It has not been possible to trace in the Foreign Office archives any record of a conversation between Sir J. Simon and Herr von Ribbentrop at this time.

wardly suggested that Hitler would like a strong England, in order to form a counterpoise to France. I remarked that I was convinced that there would be no real pacification possible in Europe until England, Germany and France reached some reasonable agreement. Hitler has, as I have reported, several times thrown out similar hints to me.

Herr von Ribbentrop is, I gather, a friend of Hitler's but does not by any means exercise the influence over the Chancellor that he would have us all believe. In fact, both he and his wife are, I fancy, rather intriguing busy-bodies. They were Nationalists who decided to leave the sinking ship and join the Nazis before the latter actually came to power. Ribbentrop is regarded by Hitler merely as an excellent propaganda agent abroad. He is shortly going over to England again and will doubtless try to make out that he can work wonders in the sphere of Anglo-German relations: so he doubtless would if we gave Germany all she asks 'and then some'.

Yours very sincerely,

ERIC PHIPPS

*February 14*

P.S. Since writing the above M. Doumergue has formed his Ministry. It seems to be strong enough to reach an arrangement with Germany over disarmament, but whether it be willing to do this is another matter. The French Ambassador has just shown me a copy of the note which he handed today to Baron von Neurath.<sup>2</sup> Its tone is much more 'cassant' than the preceding French notes, but perhaps that may not be an altogether bad thing. The German fly, unlike so many others, seems to die quicker in vinegar than in honey.

E. P.

<sup>2</sup> See No. 278.

### No. 263

*Sir E. Drummond (Rome) to Sir J. Simon (Received February 10, 9.30 a.m.)*

*No. 48 Telegraphic [R 876/37/3]*

ROME, *February 9, 1934, 11.55 p.m.*

Signor Suvich told me this evening that Italian Government did not consider an appeal by Austria to League of Nations to be desirable at present. If, however, Austria decided to make such an appeal Italy would give it her fullest support at Geneva acting in consultation with Great Britain and France.

What other possibilities were there? First there was that of joint or separate representations at Berlin. Italy was opposed to these. Secondly there was that of joint or separate declarations that the three Powers were determined to support Austrian independence and integrity.

Italian Government did not like a joint declaration because this would give Austrian Nazis slogan against Herr Dollfuss that he had sold Germanic Austria to anti-Germanic Powers. (Signor Suvich here referred as usual to France's relations with Little Entente.) Further the responsibilities and means of action of the three Powers were different. If for instance German Nazi troops invaded Austria Italy might well be forced—(though he did not definitely commit himself on the point)—to send forces to expel them. Great Britain would assuredly take no such military action—and no one would expect it of her.

On the other hand Signor Mussolini who had greatly appreciated Mr. Eden's recent declaration in the House of Commons<sup>1</sup> strongly favoured separate declarations and had caused one to be drafted which it was proposed to communicate to us and French tomorrow or Sunday<sup>2</sup> in the hope that we should find it possible to make declaration on somewhat similar lines. Signor Suvich remarked that we had more than adequate treaty grounds on which to base such declarations namely Treaty of Versailles, Treaty of St. Germain, Austrian (? Arms)<sup>3</sup> Protocol and the Lausanne Declaration.

Gist of the proposed Italian declaration was as follows:—Italian Government had studied dossier submitted by the Austrian Government and had come to clear conclusion that it afforded evidence of external interference and improper pressure in relation to Austrian internal affairs. Italy intended to preserve and protect Austrian independence and would give her full support to Austrian Chancellor in any measures he might think fit to take. End. Document would conclude by intimating that if this warning proved insufficient to stop such interference and pressure other steps were still open to Herr Dollfuss.

Exact wording of this part is not yet determined but I understand that it envisages an appeal to the League if hopes that [*sic*] declarations do not lead to a change of Germany's attitude. Signor Suvich added that declaration would be very firm and categorical. He had definitely come to the conclusion that Germans mistook courtesy and moderation for weakness and firmness in dealing with them was therefore required.<sup>4</sup>

Repeated to Paris and Vienna.

<sup>1</sup> The reference is to Mr. Eden's speech in the debate on disarmament in the House of Commons on February 6. See Parl. Deb., 5th ser., H. of C., vol. 285, cols. 1099–1108.

<sup>2</sup> February 11, 1934.

<sup>3</sup> The text is here uncertain. The reference appears to be to Protocol No. 1 of the Geneva Agreement of October 4, 1922, regarding a loan to Austria. In this Protocol the Governments of Great Britain, France, Italy, and Czechoslovakia declared that they would respect the political independence, territorial integrity, and sovereignty of Austria. See *British and Foreign State Papers*, vol. 116, p. 851.

<sup>4</sup> Sir E. Drummond further reported, in Rome telegram No. 49 of February 10, that Signor Suvich considered that if the proposed declarations had no effect on Germany, the fact that they had been made would facilitate proceedings at Geneva.

*Memorandum on the Possibility of a French Demand for an Investigation into the State of German Rearmament under Article 213 of the Treaty of Versailles*  
[C 969/20/18]

FOREIGN OFFICE, February 9, 1934

The French Government have on more than one occasion alluded publicly, in connexion with the disarmament discussions, to their right, under Article 213 of the Treaty of Versailles, to ask the League Council to institute an investigation into the state of German rearmament.

2. The question of appealing to this right has been mentioned several times in the French Chambers also, and it has frequently been canvassed by the French press.

3. At the end of December 1933 the French Cabinet went so far as to agree among themselves that if Germany were to reject the final French disarmament offer which, as at that time contemplated, was to be made at Geneva in the following January, France would raise the question of German rearmament under Article 213 of the Treaty of Versailles.

4. According to the opinion expressed by His Majesty's Minister at Paris on the 5th February,<sup>1</sup> the possibility of a French appeal to Article 213 is perhaps somewhat more remote at the present time than it was at the end of last year. There is always the danger, however, that circumstances may suddenly deteriorate in such a way as to call the French threat into operation, and the object of the present paper is, therefore, to consider the possible effect in present circumstances of an appeal in the connexion indicated to Article 213 of the Treaty of Versailles.

5. Article 213 provides that 'so long as the present treaty remains in force Germany undertakes to give every facility for any investigation which the Council of the League of Nations, acting if need be by a majority vote, may consider necessary'.

6. In the first instance, the French Government may wish to do no more than provoke at Geneva a discussion which will secure publicity for the facts about rearmament as stated in the French dossier. But once embarked upon such a course, it would be difficult for France, without loss of face, to avoid its developing into a demand upon Germany by the Council of the League for an investigation, and we are bound, therefore, to assume such a development.

7. The following is the effective membership of the Council of the League (Germany and Japan being omitted):—

Argentina.	Mexico.
Australia.	Panamá.
United Kingdom.	Poland (which presides in January,
China.	being followed by Portugal in
Czechoslovakia.	May).

<sup>1</sup> See No. 256.



Denmark.  
France.  
Italy.

Portugal.  
Spain.

8. It does not seem that the issue in the Council would be immediately carried to a straight vote on the expediency of a demand upon Germany for an investigation. On receiving the French request, the Council might first decide to ask the German Government for their observations and to submit the French request to a committee for report. We should almost certainly be asked to serve on this committee. The report, if not unanimous, as would be probable, might contain majority and minority views. The Council would in any case ultimately have to decide by a vote on the necessity of the investigation.

9. Although with the present composition of the Council the result of such a vote might well up to the last moment be in doubt, it is difficult to suppose that the French would sponsor a request to the Council for an investigation unless they were certain of carrying it. Failure to do so would for them signalise the breaking in their hands of the principal weapon (proof of German rearmament in contravention of the treaty) with which they have always stated their intention of rebutting the German claim that the ex-Allies have themselves failed to honour their promises under the preamble to Part V.

10. It must here be observed that a difference between Britain and France on such an issue would place us in a most unsatisfactory position. We should have been divided from France on a critical matter, on which it would be difficult for us to maintain that the French contention was unjustified. Further, unless we were extremely careful, we might be regarded as indifferent to German rearmament, which would certainly be rapidly continued and would already have included the alleged military training in the associations of  $2\frac{1}{2}$  million men in defiance of the provisions of the treaty.

11. Were the Council to decide in favour of a demand upon Germany for an investigation neither we nor the French can well suppose that, in her present temper, Germany would admit it upon her territory. In fact the probability must be foreseen that Germany might retort by formally repudiating Article 213 and with it possibly the whole of Part V of the treaty. Her argument would be that she had not wished to take this formal step and had hoped by negotiation with the other signatories of the Treaty of Versailles to obtain the elimination of Part V by agreement, but that the Council by its action in trying to enforce at this late stage the servitudes imposed by Part V had compelled Germany to assert her equality of treatment by the only means open to her, namely, by claiming unilateral repudiation. Such an open challenge by Germany might again place His Majesty's Government in a very difficult position, especially if, as is probable, public opinion in France had been aroused by these occurrences to the point of demanding immediate coercive measures against Germany involving the employment of force on German territory. The adoption of such measures

however, without previous recourse to the machinery provided for the settlement of Franco-German disputes, would, except in one case (which will be dealt with in paragraph 12<sup>2</sup>), involve a violation by France of her obligations under the League Covenant and the Treaty of Locarno, and as such would have to be carried out in opposition to His Majesty's Government. For technically Germany's formal repudiation of her treaty obligations—as indeed the lesser action of simply refusing to submit to an investigation under Article 213—would constitute, in the language of the Covenant, nothing more than a 'dispute' between Germany on the one hand and the other signatories of the treaty on the other, and as such would not authorise either France or any other Power to proceed at once to coercive measures against Germany; on the contrary, the restrictions imposed by the Covenant and by the Treaty of Locarno would compel France to submit the 'dispute' to a judicial settlement or to conciliation, or eventually to a decision of the League under Article 13 or 15 of the Covenant, in accordance with the long-drawn-out procedure set forth in detail in the Foreign Office memorandum of the 30th May, a copy of which is attached.<sup>3</sup> This memorandum shows that only after this procedure had been finally exhausted and Germany still remained recalcitrant would France be entitled to take forcible action against Germany, and then only if recommended unanimously by the Council.

12. It would be practically impossible for His Majesty's Government to stand aside during the hearing of this 'dispute'. We have always maintained that Germany had no right to free herself from her treaty obligations by unilateral action, and on this account, if for no other, we would have to join with France in fighting the case before the various tribunals appointed for the purpose.

13. But supposing we thus co-operated with France, when we eventually reached the point where all the methods for settling the 'dispute' had been exhausted without avail, France would be likely to raise with us the question of the joint coercion of Germany. It is probable that the British and French views on this subject would not be the same, but our liberty of action would have been to a certain extent prejudiced by the mere fact that we had collaborated with France up to this point.

14. There still remains to mention one case where the question of coercive action might arise at an earlier stage. This case would arise if France were able to prove to the satisfaction of the League Council that Germany's illegal rearmament had, at the same time, involved a violation of the Demilitarised Rhineland. In that case His Majesty's Government (and the Belgian Government) would be bound 'to come immediately to the assistance of France' (see Part 2 of Article 4 of the Treaty of Locarno). But such assistance need take the form of military action only if the violation was in the unanimous opinion of the Council sufficiently serious and flagrant as to justify a decision by it, in accordance with exception No. 3 in Article 2 of the treaty

<sup>2</sup> This should have read: 'in paragraph 14'.

<sup>3</sup> See Volume V of this Series, No. 185.

permitting its repression by military action by France. In estimating the degree of seriousness attaching to the violation it is not unlikely that the views of His Majesty's Government and of the French Government as members of the Council, would not coincide.

15. To sum up—

- (a) If the French raise the question of German rearmament under Article 213, it is probable that the Council will sooner or later have to vote for an investigation. A majority vote is sufficient, but the position of His Majesty's Government will nevertheless be embarrassing.
- (b) If an investigation is ordered, Germany will almost certainly decline to submit to it and may take the opportunity to repudiate the whole of Part V of the Treaty of Versailles. This again will be embarrassing for His Majesty's Government.
- (c) In such an event His Majesty's Government would be practically bound to co-operate with France in fighting the resultant 'dispute' before all the various tribunals provided for the purpose. Alternatively, His Majesty's Government would have to oppose France if she attempted to coerce Germany before exhausting the above legal remedies.
- (d) Once these legal remedies had been exhausted and Germany still remained recalcitrant, His Majesty's Government would have to be prepared to discuss with France the question of joint coercive action against Germany. This might lead to an awkward situation.
- (e) If the alleged rearmament of Germany involved a violation of the demilitarisation of the Rhineland, France can, provided that she is able to convince the Council voting unanimously that the case is sufficiently flagrant and serious to warrant military action by France in self-defence, not only claim the right to take coercive measures straight away, but can also call upon His Majesty's Government to come to her military assistance under the Treaty of Locarno. In estimating the degree of seriousness attaching to the violation there might be disagreement between His Majesty's Government and France on the Council.

No. 265

*Sir J. Simon to Sir W. Selby (Vienna)*

*No. 58 [R 883/37/3]*

FOREIGN OFFICE, *February 9, 1934*

Sir,

I asked Herr Franckenstein to see me this afternoon in order that I might tell him the views which His Majesty's Government had formed in reference to the request of the Austrian Government made yesterday, when he handed to me the dossier of Austrian complaints against the German Government

(see my despatch of yesterday, No. 57<sup>1</sup>). I said that we noted that the Austrian Government had decided in principle to bring the matters of which they complained before the League under the second paragraph of Article 11 of the Covenant. I reminded him that His Majesty's Government had publicly stated that they do not seek to discourage Austria in bringing this appeal, and that we have declared that the integrity and independence of Austria are an object of British policy. While His Majesty's Government have no intention whatever of interfering in the internal affairs of any country, they fully recognise the right of Austria to demand that there should be no interference with her internal affairs from any other quarter. I pointed out to the Minister that on entertaining Austria's appeal, the Council would presumably endeavour to ascertain what Germany may have to say as to the facts alleged before the Council reached its recommendations. In these circumstances we thought that the proper course was not to pronounce a view on the Austrian material in advance of its consideration by the Council.

2. I handed to Herr Franckenstein a note to the above effect, and it is annexed to this despatch. Herr Franckenstein observed that the contents of the note corresponded with the view which I had provisionally expressed to him yesterday. He added that he personally concurred in the conclusion we had reached, but asked whether he should regard it as final. I told him that we were at once communicating our view to France and Italy, and of course should be open to hear their own suggestions on the matter, but we sympathised with Austria in her feeling that the decision of the question was urgent, and I had therefore lost no time in giving him the information.

I am, &c.,

JOHN SIMON

<sup>1</sup> No. 261.

ENCLOSURE IN No. 265

*Note handed to Herr Franckenstein*

*February 9, 1934*

His Majesty's Government note that the Austrian Government have decided in principle to bring the matters of which they complain before the League under Article 11, paragraph 2, of the Covenant.

His Majesty's Government have publicly stated that they do not seek to discourage Austria in bringing this appeal. The integrity and independence of Austria are an object of British policy, and while His Majesty's Government have no intention whatever of interfering in the internal affairs of another country, they fully recognise the right of Austria to demand that there should be no interference with her internal affairs from any other quarter.

On entertaining Austria's appeal, the Council would presumably endeavour to ascertain what Germany may have to say as to the facts alleged

before reaching its recommendations. His Majesty's Government therefore think that the proper course is not to pronounce a view on the Austrian material in advance of its consideration by the Council.

#### No. 266

*Sir E. Drummond (Rome) to Sir J. Simon (Received February 10, 6.30 p.m.)*  
*No. 51 Telegraphic [R 880/37/3]*

ROME, February 10, 1934, 5.40 p.m.

My immediately preceding telegram.<sup>1</sup>

I saw Signor Suvich and made communication as instructed.

He confirmed my view of basis of Italian policy and is proceeding with final drafting of Italian document. It will be communicated to me tomorrow evening and on Monday<sup>2</sup> morning my French colleague and myself will be asked to come to the Ministry to discuss it. I should therefore be very grateful if instructions on the points set out in my telegram No. 48<sup>3</sup> could reach me before then.

Signor Suvich again emphasized importance he attached to the blanket declaration [of] support for Herr Dollfuss in any measures he might see fit to take to preserve Austrian independence. He urged that no publication of His Majesty's Government's reply to Austrian Government should take place till full exchange of views had materialised.

Repeated to Paris and Vienna.

<sup>1</sup> Not printed. This telegram of February 10 commented that No. 263 had crossed Foreign Office telegram No. 55 of February 9 (also sent to Paris as No. 19 Saving), which instructed Sir E. Drummond and Lord Tyrrell to inform the Italian and French Governments of the reply given to the Austrian Minister (see No. 265). Sir E. Drummond pointed out that Italian policy was based on the assumption that an Austrian appeal to the League was undesirable if it could be avoided, and in order to help avoid it the Italian Government were ready to pronounce judgement on the Austrian dossier.

<sup>2</sup> February 12.

<sup>3</sup> No. 263.

#### No. 267

*Sir E. Drummond (Rome) to Sir J. Simon (Received February 12, 9.30 a.m.)*  
*No. 53 Telegraphic [R 884/37/3]*

ROME, February 12, 1934, 1.45 a.m.

My telegram No. 51.<sup>1</sup>

Following is translation of Italian declaration:—

'Austrian Government have communicated to Italian Government a full dossier regarding activity which has been developed in Austria from abroad

<sup>1</sup> No. 266.

with the object of fomenting, by most diverse methods, movement of opposition against Austrian State and Government. In transmitting this dossier Austrian Government have formally asked for opinion of Italian Government in regard to it.

'Italian Government have examined documents submitted to them with the greatest attention and regard it as impossible, without denying evidence, not to recognise existence of a continuous and systematic activity which is being developed from abroad in territory, to the detriment of State and Government, of neighbouring Republic and which often assumes grave forms. Characteristic as showing origin of such activity are broadcast talks of a German deputy who holds post of Nazi provincial inspector for Austria. Italian Government may if need be revert in detail to documents submitted to them and to facts which they disclose.

'In the opinion of Italian Government two undoubted conclusions must be drawn from the foregoing: (1) that it is not possible to deny justification of demand made by Austrian Government to German Government that the latter should take all necessary measures with the object of putting an end to support and incitement which have been given in Germany to movement against Austrian State and Government.

'(2) that Austrian State and Government cannot be denied the right to take all necessary measures to defend themselves in a national as well as in an international sphere. In this connexion it should be further recalled that independence and integrity of Austria are guaranteed by international treaties and that it is the business of Austrian Government to decide on policy which they may consider best adapted to this end and in order to safeguard and consolidate position which Austria occupies amongst European states and historical rôle which she is called to fulfil in the European political situation.

'Italian Government feel themselves all the more compelled to express this, their sincere and profound conviction, since relations which bind them to German Government and people have been and are cordial and friendly and since they have constantly adopted and are now adopting an efficacious policy in all spheres (reparations, armament, etc.) in favour of equal rights for Germany. Germany should represent in the interests of German people and in general interests of Europe an element of equilibrium and of stabilisation in relations between European states and in this equilibrium and stabilisation the existence of an independent Austrian state represents a constituent factor. German Chancellor himself has declared it is absurd to assert that German Reich has intention of overpowering Austrian State.

'In reply to appeal addressed to them Italian Government confirm in fact to Austrian Government their intention fully to respect their obligations and fully to exercise rights which derive to Italy from treaties in regard to independence of neighbouring Republic. They trust that dossier which Austrian Government have compiled and made known may lead both interested parties towards a more exact estimate of all the factors which enter into play in this complicated question and that thus there may be no need for further

debates which it would clearly be advantageous to avoid but in which if necessary Italy would participate with intentions made clear in this note.'

Repeated to Paris.

#### No. 268

*Sir E. Drummond (Rome) to Sir J. Simon (Received February 12, 9.30 a.m.)*

*No. 55 Telegraphic [R 887/37/3]*

ROME, February 12, 1934, 1.45 a.m.

My immediately preceding telegram.<sup>1</sup>

Signor Suvich has now telephoned to me to say that Italian Government intend to present document as a reply to Austrian request (see first paragraph) and that they would publish it.

They sincerely trusted that British and French Governments would find it possible to make analagous declarations by whatever methods they thought most appropriate. They attached great importance to such action as increasing weight of warning and they would like all the three declarations to be published simultaneously.

Italian Government would not make their communication till they had received reply from His Majesty's Government but they most earnestly requested I might be in a position to give it to them by Tuesday<sup>2</sup> morning at the latest.

I reminded Signor Suvich that in view of answer which His Majesty's Government had already sent to Austrian Government I did not think it would be possible for you to express any opinion on the dossier itself; but he did not seem to take this special point too tragically.

Repeated to Paris.

<sup>1</sup> Not printed. This telegram of February 11 contained Sir E. Drummond's comment on the proposed Italian declaration.

<sup>2</sup> February 13.

#### No. 269

*Sir J. Simon to Sir E. Drummond (Rome)*

*No. 59 Telegraphic [R 888/37/3]*

FOREIGN OFFICE, February 12, 1934, 9.50 p.m.

Your telegrams Nos. 48 to 56.<sup>1</sup>

1. You will have gathered from my telegram No. 55<sup>2</sup> the position of His Majesty's Government. Our views may be summarised as follows:—

The Austrian Government have the undoubted right to bring their com-

<sup>1</sup> See No. 263, No. 263, note 4, No. 266, note 1, Nos. 266–7, No. 268, note 1, and No. 268. Rome telegram No. 52 was on a different subject. Rome telegram No. 56 is not printed.

<sup>2</sup> Not printed. See No. 266, note 1.

plaint against Germany to the League of Nations under Article 11 of the Covenant. They have expressed their intention to avail themselves of this right. Indeed, Dr. Dollfuss has already committed himself so openly to this course as to make retreat in his own interest inadvisable. We fear that any pressure or inducement to him to back out at this stage would be a serious disservice to his prospects of maintaining himself. The decision to appeal to Geneva is however one which rests on the responsibility of the Austrian Government alone. His Majesty's Government would not be justified in discouraging Austrian appeal unless we could propose some alternative procedure more likely to deter Germany from the course which she is now pursuing.

2. The draft declaration in your telegram No. 53<sup>3</sup> is no doubt intended to provide such a procedure. We can only say that, while we should not of course desire to dissuade the Italian Government from making any statement of their views which they may think proper, we cannot feel that anything in this declaration, whether made by the Italian Government alone or by the three interested Powers, is likely to dissuade the German Government from its present course. It is quite possible that the efforts of the Council would be equally unsuccessful. But the League procedure already exists, and we fear it would be useless and embarrassing to endeavour to substitute for it an alternative procedure which seems to us to have even less chance of producing the desired result.

3. We are convinced that no further declaration by us would add weight to what we have already said in Parliament and in our communication to the Austrian Minister. We also doubt whether declarations on the Italian model made by the three Powers would subsequently facilitate proceedings at Geneva.

4. You are already aware from our telegram No. 55 of the reasons for which we do not desire to make any pronouncement on the dossier and I gather from the last paragraph of your telegram No. 55<sup>4</sup> that Signor Suvich appreciated them.

5. You should speak to Signor Suvich in this sense.

Repeated to Paris and Vienna.

<sup>3</sup> No. 267.

<sup>4</sup> No. 268.

## No. 270

*Sir J. Simon to Sir E. Drummond (Rome)*

*No. 60 Telegraphic [R 888/37/3]*

FOREIGN OFFICE, February 12, 1934, 10.30 p.m.

My immediately preceding telegram.<sup>1</sup>

I trust that the Italian Government realise that if Dr. Dollfuss establishes a Fascist or quasi-Fascist régime in Austria, (perhaps as an alternative solution to an appeal to the League of Nations) there is bound to be, both here

<sup>1</sup> No. 269.



and probably also in France, a very marked cooling in the unanimity of the support hitherto given to Austria by the press and public opinion, and further attempts by His Majesty's Government to assist Dr. Dollfuss may be rendered increasingly difficult.

No. 271

*Record of a Conversation between Sir J. Simon and M. Avenol on February 12, 1934*

[W 1676/1/98]

FOREIGN OFFICE, *February 12, 1934*

M. Avenol called on the Secretary of State at the House of Commons this afternoon. Mr. Eden took part in the conversation. Mr. Strang was present.

Sir John Simon said that he had been refreshing his memory as to the point which the officers of the Disarmament Conference were to meet to consider on the 13th February. If he understood the position correctly, the two alternatives before the officers were: either to fix a date for a meeting of the Bureau immediately to consider the question of a further adjournment, or to fix a date for a meeting at whatever might seem the most suitable time to enable the agenda to be prepared for the General Commission.

M. Avenol agreed that this was so.

Sir John Simon said that Mr. Henderson had promised that morning to let him have a copy of the report received from the French Government as to the present state of negotiations.<sup>1</sup> Mr. Henderson had also suggested that an informal confidential meeting between the officers of the Conference and Sir John Simon and Mr. Eden might be held after the Prime Minister's luncheon on the 13th February. Sir John Simon said that he had agreed to this suggestion.

M. Avenol said that the French report to Mr. Henderson was on the whole rather more conciliatory than he had expected. It made two points in particular. The first was that the French Government could not possibly accept an immediate reduction of their armaments accompanied by an immediate rearmament of the Powers disarmed by the treaties. The second was that, in view of the increasing rhythm of German rearmament, it was essential to press on with the work of the Conference as soon as possible.

<sup>1</sup> Mr. Henderson communicated a copy of the report of February 10 to the Foreign Office on February 13. It enclosed copies of the German note to the French Government of December 18 (see No. 143), the French reply of January 1 (see No. 160), and the German counter-reply of January 19 (see No. 193). In addition to the two points mentioned by M. Avenol, the report emphasized that the French Government could not agree to the exclusion of para-military formations from the calculation of effectives, and stressed the importance attached by the French Government to guarantees of execution. The report is printed in the French official publication *Négociations relatives à la réduction et à la limitation des armements*, Document No. 13.

One important fact in the present situation was, he said, that M. Benes wished the Bureau to meet at once, and was convinced that the conclusion of a convention was neither possible nor desirable. M. Avenol gathered from M. Aghnides, who had spent two days in Paris, that the French Government had no clear views as to the date of the meeting, but were apparently not set upon an immediate meeting of the Bureau. In M. Avenol's own view, the situation as regards the immediate future was clear. Mr. Eden was about to visit the three capitals, and therefore the period of direct conversations had not come to an end. It would help the officers of the Bureau if some estimate could be given of the length of time Mr. Eden's journey would take. Would a fortnight be a reasonable estimate?

Sir John Simon said that he thought so. He had just instructed Lord Tyrrell to ask the French Government whether it would be convenient for them to receive Mr. Eden at the end of this week, or whether it would suit them better if he were to pay his visits in the reverse order, going to Berlin first and then to Paris. He asked M. Avenol what date he would himself suggest for the meeting of the Bureau.

M. Avenol said that he had been thinking of the 5th April.

Mr. Eden said that supposing some intermediate stage in the negotiations were necessary, between the bilateral conversations and the resumption of the work at Geneva, would it be necessary for the Bureau to bless this proposal?

M. Avenol thought that this would only be necessary if the French were to ask for it.

Sir John Simon suggested, therefore, that if the 5th April (or, better, the 9th April, which is a Monday) were the date chosen, it might be wise to reserve the right of the President and the officers to fix an earlier date if necessary.

Reverting to the French reply to Mr. Henderson, he said that M. Avenol would, of course, realise that the United Kingdom memorandum on disarmament had not proposed 'the immediate disarmament of France accompanied by the immediate rearmament of Germany'.

M. Avenol said that he might analyse the position of the French Government somewhat as follows:—

In the first place, they were, for internal reasons, bound by the slogan of 'no rearmament', a slogan which of course had no meaning. The parties of the Left, which a year or two ago had been the strongest for disarmament and for reconciliation with Germany, had now, since Herr Hitler came to power, completely changed their attitude. The recent succession of weak French Governments had been powerless to do anything but repeat the slogan. It was possible that the new Government might be able by way of negotiation to find a new policy.

In the second place, the French Government had, since Herr Hitler came into power, been on the defensive as regards disarmament and had fought

against attempts at the Conference to secure the disarmament of France. People in France asked themselves why France should disarm when Germany was rapidly rearming. The President of the Foreign Affairs Committee of the Senate had recently declared that there should be no diminution of France's means of defence.

The French memorandum of the 1st January had translated these principles into a somewhat more flexible form. The French Government had retained the idea of the two periods, but they had no real illusions on the subject and were quite well aware that the Germans would rearm up to the point to which they intended to rearm, whatever anyone might do.

The United Kingdom memorandum on disarmament opened up several possibilities, but there were really only two alternatives. Did Governments want a convention or did they want no convention? Those who wished for no convention ought to be made to take the responsibility of saying so, though he knew they would never dare to say so in public. The Little Entente had apparently made up their minds that they would be better off with no convention. The only explanation he could find for this attitude was that it was a repercussion of the conclusion of the Four-Power Pact. What they apparently feared was an *entente* among the great Powers.

Sir John Simon agreed that it was important to fix responsibilities.

Mr. Eden asked whether M. Benes would press for the Bureau to meet in the following week.

M. Avenol said he did not think he would ask for it as soon as this. M. Aghnides had seen M. Osusky, the Czechoslovak Minister in Paris, who had given him to understand that in M. Benes's view the Disarmament Conference must now take second place and that it was necessary to concentrate upon the affairs of Austria.

Sir John Simon said that he did not wish it to be thought that His Majesty's Government were confident that Mr. Eden's tour would produce an agreement. They could not take this responsibility. Their only object was to explore the ground to discover what they could.

M. Avenol said that if Mr. Eden should find the French view to be as M. Avenol had described it, and if His Majesty's Government contemplated the possibility of taking up a position on the lines of that proposed by Signor Mussolini, then it might be worth while trying to reach agreement which would draw something from both the British and the Italian memoranda.

Sir John Simon said that if there was to be a general agreement there must first be an agreement between two Powers. It would be difficult for both Signor Mussolini and His Majesty's Government if the Germans persisted in repeating that in no circumstances would they return to the League.

M. Avenol said that they were likely to hold to this line as a matter of tactics.

Sir John Simon asked what M. Avenol thought the French Government would say in their declaration to the Chamber on the 15th February.

M. Avenol said that he thought that the declaration would relate chiefly to internal questions.

Sir John Simon said that he was not hopeful as to the prospects of disarmament when the French Government included two powerful Ministers without portfolio—MM. Herriot and Tardieu—who agreed (if they agreed upon nothing else) that they could have nothing to do with Germany's rearmament.

Sir John Simon asked whether Mr. Henderson shared M. Avenol's views.

M. Avenol said he hoped so. Mr. Henderson was convinced that a very early meeting of the Bureau was undesirable, though he chafed at his present inactivity.

## No. 272

*Sir E. Phipps (Berlin) to Sir J. Simon (Received February 13, 11.50 a.m.)*

*No. 65 Telegraphic [W 1532/198]*

BERLIN, *February 13, 1934, 11.40 a.m.*

My immediately preceding telegram.<sup>1</sup>

I sounded Minister for Foreign Affairs last night after a dinner party regarding Mr. Eden's possible visit.

His Excellency is strongly of the opinion that Mr. Eden should be in full possession of French views before coming to Berlin. Key to the whole disarmament question is, he feels, in Paris. He doubts, however, whether French Government have yet had enough time to devote to the matter. He added of course whenever Mr. Eden comes here he will receive a cordial welcome.

Baron von Neurath referred to recent visits to London of Herr von Ribbentrop and said that although he knew Chancellor he was not charged with any kind of mission on behalf of German Government. Herr von Ribbentrop moreover was insufficiently acquainted with details of a complex problem to be able to speak with authority.

A letter about this gentleman will reach you by bag on February 16.<sup>2</sup>

<sup>1</sup> Not printed. This telegram of February 12 commented on the possibility of Mr. Eden visiting Berlin before Paris.

<sup>2</sup> See No. 262. Sir E. Phipps added, in Berlin telegram No. 67 of February 13, that Baron von Neurath 'maintained unaltered' the German objections to the British proposals.

*Sir E. Drummond (Rome) to Sir J. Simon (Received February 13, 6.45 p.m.)*  
*No. 60 Telegraphic [R 949/37/3]*

ROME, February 13, 1934, 5.35 p.m.

I have seen Signor Suvich and conveyed to him substance of your telegram No. 59.<sup>1</sup>

He was obviously much disappointed.

He said in the first place he considered the three Governments were perfectly entitled to express their views on Austrian dossier. It was true that Herr Dollfuss had announced his intention of appealing to the League of Nations but he had communicated the dossier to the three Powers and had asked for their opinion thereon and for an exchange of views. The question was not therefore in any way formally before the League.

I replied that on this point the practice of His Majesty's Government had been invariable. If a political question was coming before the League His Majesty's Government had as far as I know—and on this point my knowledge was considerable—always refused to commit themselves beforehand. To do otherwise would be to place themselves in position of a judge who had made up his mind and stated publicly his opinion as to rights and wrongs of the case before the trial began. Although it might be that the formal appeal to the League had not yet been made, the fact that Herr Dollfuss had announced in principle his intention of making such an appeal was surely a full justification for attitude adopted by His Majesty's Government.

Signor Suvich observed that up to the present he had believed His Majesty's Government were opposed to an appeal to the League and he mentioned 'The Times' leading article<sup>2</sup> as evidence: now it seemed from my communication that His Majesty's Government were in favour of it. I said that His Majesty's Government neither encouraged nor discouraged the appeal; the decision must be made on the sole responsibility of Austria but Chancellor had already taken it in principle.

Signor Suvich enquired what were likely to be results if and when matter came before the Council. Germany would certainly refuse to attend, as she had in the Saar case, but she might state that she had already told Austrian Government that German Government had not interfered and did not intend to interfere in the internal affairs of Austria. If Council simply took note of Germany's assurances and did nothing more (he remarked evidence in Austrian dossier as regards interference by German Government was weak) it would be equivalent to accepting what Herr Dollfuss had already declared to be insufficient. Nazis would consider it as a German victory and Dollfuss would be finished. It would be different if the Council were prepared to demand from Germany cessation of propaganda broadcasting and of entrance of motor lorries carrying arms, etc., the dissolution of the various

<sup>1</sup> No. 269.

<sup>2</sup> The reference appears to be to an article in 'The Times' of February 3.

Nazi organizations installed in Germany and other such concrete points. But would they? It had been suggested that an international commission should be constituted on the frontier to prohibit interference from German side but such a commission would not control broadcasting, he feared that it would not be popular with many Austrians and in particular with the Heimwehr. Might not the Council too wish to make their support conditional on a pledge that Dollfuss should refrain from taking strong action against his political adversaries? Any such condition would be fatal to the Chancellor. And lastly supposing Germany paid no attention to the Council's recommendation, what would happen?

I took this opportunity of saying (? under these circumstances)<sup>3</sup> now Dollfuss had had fullest support of all parties in Great Britain. I feared that violent action by him could not but alienate considerable part of this support. Signor Suvich seemed to understand the point but observed that conclusion (2) of the Italian note had been drafted with intention of (? giving)<sup>4</sup> approval to action taken by Dollfuss against the Nazis. As to what was now happening in Vienna<sup>5</sup> he felt personally that Dollfuss's action against the Socialists would greatly strengthen his position. I observed Socialists as far as I knew had not endeavoured to upset the Dollfuss régime and therefore action against them was of a different character from that against the Nazis. I said that on this matter His Majesty's Government were not and would not be able to follow Italian line. Signor Suvich stated that if Dollfuss were successful in his present efforts it might possibly lead to an arrangement between him and Germany. If declarations were made by the three Powers, Germany might think she had gone too far and take opportunity of declaring that now that Dollfuss had shown his intention of purging Austria she was willing to call a truce and discussions for an arrangement which Dollfuss had previously had with Herr Habicht and others might be resumed with fruitful results.

Signor Suvich remarked that he could not share the view of His Majesty's Government that proposed declarations would not facilitate ultimate proceedings at Geneva if they proved necessary. He thought fact that Great Powers had so clearly expressed their views would, if Germany paid no attention to them, greatly strengthen the Council's hands. He remarked that Italian Government had not asked for identic but analogous declarations. I pressed him on this point and said that you had held out possibility of again repeating on suitable occasion the assurances already given as to Austrian independence but that you could not give an implied approval to any internal action Dollfuss might think fit to take. If we can give Italian Government nothing more I think this would afford them a certain satisfaction.

<sup>3</sup> The text as originally received was here uncertain. A later text read: 'of saying that up to now Dollfuss'.

<sup>4</sup> The text as originally received was here uncertain. A later text read: 'with intention of giving'.

<sup>5</sup> Fighting occurred at Linz on February 12 when the Socialists resisted a police raid on their headquarters. There was also fighting at Graz and Steyr, and, in Vienna, Government forces attacked the municipality and other Socialist centres. See No. 293.

The French answer has not yet come in and I gather that no final decision will be taken until it arrives but Signor Suvich asked me to telegraph at once substance of our interview. It concluded by his saying that he considered Herr Dollfuss had made a bad gaffe by his threat to appeal to the League. I answered this was not His Majesty's Government's business and at any rate proceedings at Geneva would have the effect of ventilating Austrian case before the world. To this he answered Austrian dossier could be published at any time.

Repeated to Paris.

No. 274

*Lord Tyrrell (Paris) to Sir J. Simon (Received February 13, 6.25 p.m.)*

*No. 50 Telegraphic: by telephone [R 946/37/3]*

PARIS, February 13, 1934

Your telegram No. 59 to Rome.<sup>1</sup>

I have acquainted Ministry of Foreign Affairs with views of His Majesty's Government regarding the proposed Italian declaration.

2. Meanwhile French Ambassador in London has been instructed to communicate to you text of French reply to Austrian Minister in Paris.<sup>2</sup> Reply, of which copy follows by post, follows the same lines as that of His Majesty's Government. In the second sentence it is stated that the French Government regard action of Austrian Government in referring the situation to the League of Nations as justified for two reasons: (1) because of nature and gravity of grievances complained of which affect international obligations of greatest importance in a tone<sup>3</sup> of an international character and

<sup>1</sup> No. 269.

<sup>2</sup> This reply was communicated to the Foreign Office by the French Embassy on February 14. It read as follows: 'Le Gouvernement de la République française a pris note de l'intention que lui a manifestée le Gouvernement autrichien et que celui-ci a déjà énoncée au Gouvernement allemand, de saisir le Conseil de la Société des Nations de la situation créée par une série d'actes qui trouvant leur origine et prenant leur force à l'étranger fomentent un mouvement dirigé contre le Gouvernement autrichien et contre l'indépendance même de l'Autriche.

'Sans vouloir s'immiscer dans la politique intérieure d'un autre pays, le Gouvernement français estime que le Gouvernement Fédéral est fondé à déférer au Conseil de la Société des Nations l'examen de cette situation, premièrement en raison de la nature et de la gravité des griefs allégués, qui touchent à des obligations internationales de l'importance la plus grande dans une affaire dont il reconnaît le caractère international; deuxièmement en raison également des stipulations tant du pacte de la Société des Nations que des traités et protocoles concernant l'indépendance de l'Autriche.

'Soucieux de laisser son libre cours à la procédure envisagée, le Gouvernement français croit devoir s'abstenir d'énoncer aujourd'hui un jugement sur chacun des faits allégués. Il se réserve d'en discuter le moment venu le détail et d'en dégager l'ensemble. Il tient toutefois à déclarer dès maintenant que fidèle à la politique invariable de la France, il ne négligera rien pour que l'indépendance de l'Autriche soit assurée par le respect du principe du droit des gens et des traités qui ont fait de cette indépendance une des conditions de l'ordre et de la paix en Europe.'

<sup>3</sup> In a later copy of this telegram this word read: 'question'.

(2) because [of] stipulation regarding Austrian independence contained in the Covenant and relative treaties and protocols. It was explained to me that purpose of this dual justification was to bring out the fact that this is not a purely Austrian question but one which raises an important principle of international law viz: that of non-intervention in internal affairs of another country which was of vital concern to every country.

3. As regards Italian declaration Ministry said that M. Corbin had been instructed to suggest to you advisability of action as follows:—French Government held that if Italian declaration alone were published it would create unfortunate impression of lack of harmony amongst the three Powers; if the French and British replies to Austrian Ministers were also published the impression of disharmony would be still further increased. On the other hand if Italian Government were persuaded not to publish their declaration and no declaration was published by anybody at all and then if we were suddenly overtaken by events and there were for instance a ‘putsch’ before appeal to the League could take place, Signor Mussolini might seek to hold British and French Governments responsible for the consequences because of their having prevented publication of declaration. In these circumstances French Government wished to urge His Majesty’s Government to join with them in pressing Italian Government not to publish their own declaration but to agree to issue of a joint communiqué to the effect that the three Governments had held conversations which had proved community of their views as regards necessity of maintenance of Austrian independence. Such a communiqué in the opinion of French Government would keep up appearance of unity of views, it would not prejudice the issue before it comes up at Geneva and it would forestall possibility of Italian Government saying if situation got worse that it was due to British and French refusal to publish any preliminary warning.

Repeated to Rome and Vienna.

#### No. 275

*Sir W. Selby (Vienna) to Sir J. Simon (Received February 14, 9.30 a.m.)*

*No. 38 Telegraphic [R 965/37/3]*

VIENNA, February 13, 1934, 11.5 p.m.

Chancellor received me this evening.

I observed that events had taken rather unexpected turn. In three days our attention had been concentrated on his difficulties with Nazis and suddenly there had burst on Vienna a struggle with Socialists.

Chancellor affirmed that he had been equally taken by surprise. He had known in the morning of the trouble at Linz but it was only at midday he had heard that general strike had been declared. Thereafter Government had had no alternative but to meet the challenge. Chancellor said he was satisfied of ability of Government to restore order. In reply to my enquiry



Chancellor expressed opinion that the fact that Government had shown their ability to deal with Socialist uprising would be deterrent to Nazis as it would prove to them he was the master in his own house.

I told Chancellor that I trusted that he would bear in mind public opinion and exercise all the restraint possible in dealing with those responsible for the trouble once order had been restored. Vindictive reprisals were to be deprecated. Chancellor gave me his assurances to exercise moderation.

As regards appeal to the League of Nations he had received French reply which was on the same lines as British but Italy was still hesitating. Chancellor observed, however, that for the moment question had receded and he must allow situation here to clarify before taking any further steps although he indicated that he had by no means abandoned his intention to appeal to the League.

Whatever Chancellor may have known in advance it is difficult to resist conclusion that the Vice-Chancellor was certainly planning attack on the Socialists and that events at Linz where police were attacked played into his hands.

It is significant that papers today make no mention of Chancellor and that Vice-Chancellor is described as the man of the hour.

French Minister still pins his faith on Herr Dollfuss as best security against capitulation to Nazis but considers much will now depend on attitude towards him of British and French public opinion. If it is hostile the effect, in French Minister's view, might be to throw him into the arms of Germany. French Minister is impressed by the fact that Government forces as a whole have up to present responded to call of Government and considers that in Austria Chancellor's hands have been strengthened. This may be true to the extent that wide circles in Austria have criticised his hesitation during past few months to tackle Socialists of Vienna and will unquestionably welcome elimination of 'red Vienna'.

I agree with French Minister's view as regards action of British and French public opinion but am doubtful as to whether Chancellor's position has been really strengthened. German Military Attaché has been summoned to Berlin by Herr Hitler.

Police report situation is quieter but shooting continues tonight.

#### No. 276

*Letter from Sir R. Vansittart to Sir E. Drummond (Rome)*

[R 918/37/3]

FOREIGN OFFICE, *February 13, 1934*

Many thanks for your letter of February 3<sup>1</sup> about the Austrian question.

Let me begin by assuring you that your premisses on the first page are perfectly understood. There is, I think, no misapprehension on the part of

<sup>1</sup> No. 254.

either of us, and you always enable us to distinguish perfectly clearly between your own views and the Italian views of which you are the interpreter.

I had been about to welcome your suggestion that you should come here yourself to talk things over, but things are coming to a head so fast now, and the attitude of the Italian Government seems so dubious in regard to Austria, I think your presence in Rome at this critical juncture is even more essential.

Turning to page 3 of your letter I find that, as so often happens, we have received here two different and mutually contradictory accounts of the Italian attitude towards an appeal by Austria to the League. The official version as contained in your letter and as given to us by Vitetti at this end was discouraging and unfavourable to such an appeal. On the other hand, Pflügl definitely told Walters at Geneva that Austria had consulted Italy *before* presenting their Note to the German Government. If this is correct, she evidently did not get a discouraging answer. Moreover, your telegram No. 30<sup>2</sup> of January 28 reported Signor Suvich as saying that 'if such an appeal were made, he trusted we should fully support Austria'—a somewhat disingenuous remark if we are now to believe that Italy did not want Austria to appeal to the League at all. I think Italy is wrong in taking the responsibility (as I see from your telegram No. 45<sup>3</sup> just received that she is doing) of telling Austria not to go to Geneva. But if that *was* her view, why did she not say so clearly and unequivocally from the start?

In short, our criticism is not so much that Italy objects to Austria going to the League (incidentally, I quite appreciate the prejudice against the Beneses and Titulescos), but that she has simply shilly-shallied and said one thing to us (and even that not consistently) and another (apparently) to the French and the Austrians. Meanwhile we are never quite sure that we really know what is passing on the subject between Herr Hitler and Signor Mussolini, or even between the latter and Dr. Dollfuss. Our hand may not be a strong one, but we at any rate lay our cards on the table. With the Italians, we scarcely ever feel that they are disclosing to us frankly either what cards they hold or how they think of playing them.

All this is, however, already somewhat academic and will be still more so by the time my letter reaches you. You will see in the print my conversation on February 5 with the French Ambassador,<sup>4</sup> and the suggestions made by the French Government. Whether we agree with them in every detail or not, they are at any rate something to work on. I wish I could get something equally concrete and equally to the point out of Signor Suvich.

<sup>2</sup> No. 222.

<sup>3</sup> Not printed.

<sup>4</sup> The reference is to the copies of official correspondence circulated in print by the Foreign Office to H.M. Missions. A Note by Sir R. Vansittart reported a conversation with the French Ambassador in which the latter communicated certain suggestions as to steps to be taken if the Austrian Government appealed to the League of Nations. Among these was a suggestion that all the states bordering on Austria, as well as the principal non-limitrophe European Powers, should declare their disinterestedness in Austrian affairs and renounce any action tending to establish any particular influence in Austria.

All that he has so far vouchsafed is a vague suggestion that Dollfuss should suppress the Socialist Party and the Socialist Municipality in Vienna. I can only interpret this as representing the first step towards the establishment of a Fascist régime in Austria. I quite understand Suvich's feeling that this would be the proper and most effective solution of the Austrian problem, but it is equally clear that it is not one to which this country and France can lend themselves. No doubt the Italians realise that, and the recent move of the Heimwehr in the Tyrol and Upper Austria to take over the Provincial Governments make [*sic*] me suspect that the Italians may have decided that the moment has come for them to bring about a change of régime in Austria on their own before the League can get busy with the Austrian appeal (Selby's telegram No. 27<sup>5</sup> rather confirms this suspicion).

If this is really the line the Italians are going to take, it only affords another instance of how difficult it is to co-operate with them in this Austrian question.

R. VANSITTART

<sup>5</sup> Not printed. This telegram of February 7 reported that the Heimwehr were attempting to take over the provincial governments of Tyrol and Upper Austria; and that H.M. Consul at Innsbruck and other reliable sources were convinced that this was being done on an Italian initiative.

No. 277

*Sir J. Simon to Lord Tyrrell (Paris)*

No. 262 [R 979/37/3]

FOREIGN OFFICE, *February 14, 1934*

My Lord,

M. Corbin this afternoon handed me the annexed draft declaration, which he said the French Government, after communicating with the Italian Government, would wish to be issued as the joint declaration of Italy, France and ourselves. I gathered that the suggestion of such a joint declaration had been made from Paris to Rome yesterday, and it more or less corresponds with the suggestion made to you by the Quai d'Orsay yesterday as reported in your telegram No. 50.<sup>1</sup> The Ambassador said that he understood that the actual terms of the declaration which he now proposed were approved by Signor Mussolini.

2. I told M. Corbin that joint action between France, Italy and ourselves was, of course, welcome to us, but that, at first sight, I thought the matter needed a little consideration on the following grounds: His Majesty's Government had already made a declaration publicly several times (e.g., my speech in the House of Commons on the 21st December<sup>2</sup>; Mr. Eden's speech on the 6th February<sup>3</sup>; and my answer to a parliamentary question yesterday<sup>4</sup>),

<sup>1</sup> No. 274.

<sup>2</sup> See No. 144, note 6.

<sup>3</sup> See No. 263, note 1.

<sup>4</sup> See Parl. Deb., 5th ser., H. of C., vol. 285, col. 1760.

but this would not prevent us being willing to repeat the statement in a joint form, if on other grounds this was desirable. My doubt arose from the feeling that the Austrian situation had vitally changed in the last two days, for the immediate question in Vienna was not the preservation of Austria from foreign interference, but the suppression by the Austrian Government of the Austrian Socialists. We had no intention whatever of interfering in the internal affairs of Austria, nor, I supposed, had the French Government. But it had to be remembered that in this new situation Dr. Dollfuss was maintaining that the extremely strong action he was taking was necessary in order to secure the life of the Austrian State. Was there not a danger that the proposed joint declaration would be misunderstood in some quarters, or misused, as though it implied or involved some recognition of the necessity of Dr. Dollfuss's recent proceedings? I was far from saying that this would be the effect of the joint declaration, but I felt it was important to examine its terms from that point of view.

3. The Ambassador said that the French Government had already represented to Dr. Dollfuss that, in their view, he was going the wrong way about to secure his ends, and he thought, therefore, that the French Government would not share my anxiety about the text of the joint declaration. It might be possible to modify its terms so as to make it quite clear that it referred solely to the policy of upholding Austria's independence against external forces. So modified, the Ambassador thought that it might even be useful if there developed increasing Italian influence in Austria. I promised that the proposal should have prompt consideration, and hoped to be in a position to give the Ambassador a more definite answer very shortly.

I am, &c.,

JOHN SIMON

ENCLOSURE IN No. 277

*Draft Declaration*

Les conversations poursuivies entre les trois Gouvernements de France, de Grande-Bretagne et d'Italie, à la suite de la démarche du Gouvernement de Vienne, ont fait ressortir la communauté de leurs vues sur la nécessité et (la volonté) d'assurer le maintien de l'indépendance et de l'intégrité de l'Autriche.

No. 278

*Aide-mémoire communicated by the French Government to the German Government, February 14, 1934<sup>1</sup>*

[W 1635/1/98]

14 février 1934

Le Gouvernement français a reçu de l'Ambassadeur de la République

<sup>1</sup> A copy of this *aide-mémoire* was handed to Sir J. Simon by the French Ambassador on February 14. A translation of it is printed in Cmd. 4559 of 1934.

à Berlin le Mémoire remis le 19 janvier à M. François-Poncet en réponse à son Aide-Mémoire du 1<sup>er</sup> janvier.

Dans un esprit de loyauté et de sincérité le Gouvernement français avait énoncé un programme conforme aux résolutions antérieures votées par la Conférence de Genève avec la participation de la Délégation allemande. Ce programme comportait par étapes et avec des garanties correspondantes de contrôle et de sécurité, des réductions substantielles d'armements, aussi bien en matières d'effectifs que dans le domaine des matériels terrestres et aériens.

Saisi de ce programme concret et précis, le Gouvernement allemand croit cependant pouvoir affirmer de nouveau que les 'principales Puissances intéressées' (parmi lesquelles, sans doute, il faut comprendre la France) 'qui ont en leur possession un puissant armement ne sont pas disposées à une mesure de désarmement véritablement efficace'. Le Gouvernement de la République entend laisser au Gouvernement du Reich toute la responsabilité d'un jugement auquel, pour sa part, il peut d'autant moins souscrire qu'il est formellement contredit par sa proposition.

Tirant les conséquences d'une constatation erronée, le Gouvernement allemand n'a pas cru devoir atténuer les propositions qu'il avait lui-même présentées dans son précédent Mémoire. Il n'a pas davantage estimé opportun, malgré l'invitation qui lui a été faite, de préciser la portée de plusieurs d'entre elles. Le Gouvernement français peut s'en étonner. Il regrette en particulier de n'avoir pas trouvé dans le Mémoire du 19 janvier des éclaircissements suffisants sur les conceptions allemandes en matière de contrôle; il regrette plus encore que le Gouvernement du Reich n'ait pas cru devoir relever, ni pour s'y associer, ni pour les critiquer, les observations présentées dans l'Aide-Mémoire du 1<sup>er</sup> janvier sur la portée des Pactes de non agression et sur leur rapport avec les Traités de Locarno. Il apparaît pourtant que cet élément de la sécurité générale a trop d'importance pour être passé sous silence lorsqu'il s'agit d'établir les conditions d'une réduction générale et substantielle des armements.

Il n'a certainement pas échappé au Gouvernement allemand que, sur deux points, les propositions formulées dans l'Aide-Mémoire du 1<sup>er</sup> janvier avaient, aux yeux du Gouvernement français, un caractère fondamental.

La comparaison des effectifs français et allemands ne peut porter que sur les effectifs comparables, c'est-à-dire sur ceux qui sont destinés à la défense du territoire métropolitain, et elle n'est concevable que si toutes les forces ayant à quelque degré un caractère militaire tombent sous le coup de la limitation qui sera édictée.

L'égalité des matériels, c'est-à-dire l'attribution à l'Allemagne de matériels que les autres Nations conserveront et qui lui sont actuellement interdits, ne peut que suivre la transformation même de l'armée allemande et la résorption des organisations prémilitaires et paramilitaires dans les effectifs réguliers que limitera la Convention.

En écartant sur ces deux questions essentielles les propositions dont il avait été saisi et dont il n'a pu méconnaître l'intention et la portée, le Gouverne-

ment allemand a rejeté l'ensemble du programme esquissé dans l'Aide-Mémoire du 1<sup>er</sup> janvier.

Dans ces conditions le Gouvernement français ne voit pas l'utilité du questionnaire étendu qui se trouve annexé au dernier Mémoire allemand et il comprend mal les possibilités qu'il est susceptible d'ouvrir. Il se heurte à la difficulté d'une discussion restreinte aux deux Gouvernements quand il s'agit de questions diverses et complexes qui regardent l'ensemble des Puissances représentées à la Conférence. Ces problèmes ne peuvent être conduits à bonne fin qu'avec la participation de tous les États intéressés et un examen franco-allemand de ces questions, engagé à titre préliminaire, n'aurait d'objet utile que si l'entente était déjà réalisée sur des principes précis qui ne prèteraient plus à des discussions entre les deux Gouvernements.

Il est loin malheureusement d'en être ainsi comme le démontrent des vérités trop évidentes. Par exemple, il résulte des documents publiés que l'armée allemande, soit en ce qui touche l'organisation (haut commandement, état-major, écoles, réserves de cadres, mobilisation), soit en ce qui touche les effectifs (temps de paix et réserves instruites), soit en ce qui touche le matériel, possède dès maintenant des ressources sans rapports avec les dispositions des Traités, qu'il serait nécessaire de prendre pour base des comparaisons ultérieures. Avant de considérer l'avenir et pour l'éclairer, il faudrait considérer le présent.

Toutefois et sous réserve de ces précautions nécessaires, le Gouvernement français accepte l'occasion qui lui est offerte de dissiper au milieu de tant de difficultés deux malentendus essentiels.

Tout d'abord si le Gouvernement français attache une importance particulière à ce qu'un contrôle efficace puisse fonctionner dès la mise en vigueur de la Convention, c'est en raison de la nécessité qui s'imposera de mettre au point dans le délai le plus bref un mécanisme qui doit être un élément essentiel de cette Convention. Il n'y a rien dans une telle préoccupation qui soit de nature à porter atteinte à la dignité du Gouvernement allemand dont aucun pays ne saurait méconnaître les droits. Il y a des formes de contrôle qui risqueraient d'être plus dangereuses qu'utiles. Seule une organisation internationale munie de sérieux moyens d'investigation et d'action pourrait assurer les garanties nécessaires au maintien de la paix.

Le Gouvernement allemand paraît, d'autre part, mettre en doute la volonté du Gouvernement français d'envisager une limitation de ses effectifs d'Outre-Mer. Rien n'est moins exact. Il n'est pas davantage question de soustraire à la limitation les forces d'Outre-Mer dont le caractère mobile exige qu'elles soient à tout moment disponibles dans la Métropole pour être portées avec un minimum de temps sur les points de l'Empire Colonial où leur présence est reconnue utile. Contrairement à ce que le Gouvernement allemand paraît supposer, le Gouvernement français ne songe pas à compenser à tel moment qui lui plairait la réduction des forces métropolitaines fixée dans la Convention par l'appel à des troupes d'Outre-Mer, puisque la Convention limiterait strictement les effectifs susceptibles d'être stationnés en temps de paix sur le territoire métropolitain.

Ces questions particulières, si importantes qu'elles soient, ne sauraient faire perdre de vue le problème essentiel. Elles laissent subsister les raisons profondes de la divergence des vues qui s'est accusée en matière d'effectifs et qui peut se résumer ainsi: en revendiquant pour une armée allemande transformée en armée de service à court terme, le chiffre de trois cent mille hommes, le Gouvernement allemand entend que ce chiffre soit fixé sans qu'il soit tenu compte ni de la politique militaire, ni des formations paramilitaires des S.A. et des S.S. Tout au plus, admettrait-il qu'une fois la Convention entrée en vigueur des organismes de contrôle vérifient que la formation des S.A. et des S.S. n'ont en effet aucun caractère militaire.

Au contraire, le Gouvernement français a toujours estimé que les chiffres de limitation doivent porter sur l'ensemble des forces ayant un caractère militaire et il a considéré comme établi que les formations des S.A. et des S.S. ont ce caractère. L'Aide-Mémoire du 1<sup>er</sup> janvier contenait à cet égard des affirmations détaillées qui s'appuient sur des faits précis. Comme leur réfutation consiste dans une déclaration de l'impossibilité de comparer, le Gouvernement français est conduit à maintenir intégralement ses affirmations antérieures. Il ne saurait donner sa signature à une Convention qui laisserait au seul avenir le soin de décider si les formations de S.A. et de S.S. ont ou n'ont pas une valeur militaire venant en ligne de compte pour fixer le rapport des forces. Une Convention établie suivant ce principe serait en effet viciée à la base et la première application du contrôle, quelle qu'en soit la forme, ferait apparaître les plus périlleux malentendus. Ce n'est pas un tel résultat que l'on doit attendre d'un accord intervenu après de si longues discussions et dont la conclusion devrait s'accompagner d'une détente dans l'atmosphère politique de l'Europe.

Le Gouvernement français a le vif désir de collaborer, dans une saine compréhension de l'esprit européen, à cette amélioration nécessaire. Il pense qu'une entente complète et loyale avec l'Allemagne en serait à la fois la condition et la caution, mais rien par contre ne serait plus dangereux qu'une équivoque. Il appartient au Gouvernement allemand de la dissiper ou de la prévenir par des explications auxquelles il peut être sûr qu'il sera justement accordé un examen sans parti pris.

Aussi le Gouvernement français a-t-il le devoir de maintenir le point de vue dont il a donné les raisons qui justifient le programme précisé dans l'Aide-Mémoire du 1<sup>er</sup> janvier. Il estime sans mettre en doute la réciprocité et la sincérité des mêmes intentions de la part du Gouvernement allemand qu'une négociation ne perd rien à reconnaître, à rapprocher et même à opposer les divergences qui font obstacle à un accord définitif.

No. 279

*Sir W. Selby (Vienna) to Sir J. Simon (Received February 15, 7.50 p.m.)*  
*No. 42 Telegraphic [R 1014/37/3]*

VIENNA, February 15, 1934, 6.25 p.m.

Following for War Office from Military Attaché.

Situation *vis-à-vis* Schutzbund<sup>1</sup> well in hand everywhere. Army and Heimwehr control situation. Visited all Vienna fronts yesterday and this morning. Only cleaning up operations now in progress. Considerable bulk of Schutzbund have melted away. Both sides concealing numbers of casualties. Fighting confined entirely to suburbs and use of artillery rapidly decided the issue everywhere. Conduct of Bundesheer and police exemplary but Heimwehr considerably less valuable. Material damage confined to the big modern Socialist tenements. Majority of disturbances in provinces only at Linz, Graz, Kapfenberg and Bruck and never assumed serious proportions. I consider three factors emerge:

1. Heimwehr completely dominate Dollfuss.
2. Army has realised its power.
3. Large proportion of Vienna population sulky but provinces on the whole well pleased at the downfall of the Reds. German Military Attaché flew to Berlin yesterday and has already returned. Considerable number of units from . . .<sup>2</sup> in Vienna. If reports true army contemplating joint action with Nazi[s]—situation appears to be eminently suitable and possibility cannot be excluded although direct information from Nazi source this morning still points to Germans biding their time. Italian Military Attaché of the same opinion.

<sup>1</sup> The Austrian Socialist para-military organization.

<sup>2</sup> The text is here uncertain.

No. 280

*Sir J. Simon to Lord Tyrrell (Paris) and Sir E. Drummond (Rome)*  
*No. 53<sup>1</sup> Telegraphic [R 946/37/3]*

FOREIGN OFFICE, February 15, 1934, 9.30 p.m.

Paris telegram No. 50.<sup>2</sup>

1. There are some considerations about the proposed joint communiqué to be issued at this moment which we think must be weighed by the three Governments before it could be jointly issued in its present form. We submit these considerations to the Government to which you are accredited with the sincere desire to promote co-operation in a situation fraught with danger for the stability of Europe.

<sup>1</sup> No. 53 to Paris, No. 69 to Rome.

<sup>2</sup> No. 274.



2. We have ourselves already made and published a declaration (see my telegram No. 19 Saving<sup>3</sup> (No. 55)). But this would not debar us from repeating it in a joint form. It would obviously be very difficult to join in a declaration of substantially different purport, if indeed that was proposed. The language suggested to be employed is therefore important.

3. We have further to remember that public attention is now concentrated on the grave internal events in Austria of the last few days. His Majesty's Government have no intention of intervening in or pronouncing judgment on these internal events, and great care is needed to make sure that a brief unqualified joint declaration at this moment would not be misinterpreted here or abroad as a pronouncement on these proceedings.

4. We feel therefore that an acceptable form of declaration ought to indicate that no opinion is being expressed by the three Governments on the internal policy and action of the present Austrian Government, and that the declaration is directed solely to the maintenance of the independence and integrity of the Austrian State against external interference.

5. I also feel considerable difficulty over the insertion of 'la volonté' after 'la nécessité'. It would be necessary to find the exact equivalent in English and to be prepared to explain to Parliament what was meant.

6. You should seek an interview with the Minister for Foreign Affairs at once and explain to him the above preoccupations, adding that we are anxious promptly to do everything we can in co-operation on lines which do not conflict with the above essential considerations and with the declaration we have already made.

Repeated to Vienna.

<sup>3</sup> Not printed. See No. 266, note 1.

## No. 281

*Sir J. Simon to Sir W. Selby (Vienna)*

*No. 19 Telegraphic [R 1014/37/3]*

FOREIGN OFFICE, *February 16, 1934, 12.10 p.m.*

Your telegram No. 42,<sup>1</sup> last paragraph.

We gather that in the opinion of the Military Attaché considerable danger exists of the Austrian army joining the Nazis.

Do you endorse this view and what course of events does this foreshadow?

<sup>1</sup> No. 279.

No. 282

*Lord Tyrrell (Paris) to Sir J. Simon (Received February 16, 1.50 p.m.)*

*No. 52 Telegraphic: by telephone [R 1034/37/3]*

PARIS, February 16, 1934

Your telegram No. 53.<sup>1</sup>

I have fully discussed the matter on lines indicated. Ministry of Foreign Affairs had themselves examined formula with the same preoccupation. They think no form of words could be devised which would more amply safeguard this point. Any specific denial of interference with internal affairs would they think weaken rather than strengthen formula in this respect.

They agreed under a little pressure to omit words 'la volonté' altogether if in that event you will join in proposed communiqué and are telephoning to French Ambassador in Rome to that effect; they attach great importance to there being some public declaration common to all three Governments.

Repeated to Rome.

<sup>1</sup> No. 280.

No. 283

*Sir E. Drummond (Rome) to Sir J. Simon (Received February 16, 5.0 p.m.)*

*No. 67 Telegraphic [R 1047/37/3]*

ROME, February 16, 1934, 4.5 p.m.

I have seen Signor Suvich and put before him considerations contained in your telegram No. 69.<sup>1</sup>

After remarking that idea that [*sic* ? of] this joint communiqué emanated from French and not from Italian Government, he listened in silence till I came to passage containing words 'la volonté'. He observed that he thought English equivalent was 'will'; surely His Majesty's Government had the will to uphold independence and integrity of Austria as laid down in Treaty? If not, what was left? An assurance that His Majesty's Government was in favour of Austrian independence, and that was all. (I expected some outburst on this point as I understand words 'la volonté' were added to French draft by Signor Mussolini himself.)

I replied that His Majesty's Government had declared independence of Austria was one of the cardinal points of British policy. This clearly indicates there was no lack of 'will'. Difficulty, as I had realised when I first saw French text, lay mainly in translation. In English I thought the whole sentence would have to be altered but I did not believe it would be impossible to find formula which might prove satisfactory.

Signor Suvich said that he doubted whether this was worth while since Italian Government could not agree to previous condition. If the three Governments stated that they expressed no opinion on the internal policy of the present Austrian Government this would inevitably be interpreted as

<sup>1</sup> No. 280.

disapproval of what Dollfuss was now doing. It was quite impossible for Italian Government to make any such statement. He considered Dollfuss' action was being unfairly criticised by certain newspapers abroad. He had no doubt that the fighting in Vienna had been due to Communists. Dollfuss had been confronted with a Red Army composed of Communist elements as distinguished from working classes as such. Leaders of latter had ordered general strike. This had not been effective since many workers had refused to join, but armed resistance had certainly been of a Communistic character.

What was, he observed, to be done now? He thought that perhaps best course would be that the Italian Government should simply publish their Note to Austria.

I said that we had published one<sup>2</sup> answer and that I believed that Dollfuss had much appreciated it. In any event the three notes combined with statements you had made showed that the three Governments were all determined to preserve independence of Austria. Signor Suvich observed that this might be so but unfortunately from a conversation he had had yesterday with the German Ambassador here he knew that the German Government were aware of proposal for some joint declaration. If this could not be obtained Germans would not fail to point out that the Powers were not united and would in every way . . .<sup>3</sup> fact that Dollfuss had not secured joint support which he had hoped to obtain. He felt that each Government was taking grave responsibility if for reasons of internal politics (he begged me not [to] misunderstand him, what he said applied as much to Italy as to Great Britain) they were not able to agree on a joint form of declaration. I would have seen attack in German press on Dollfuss. Situation was critical and he was afraid that the three Powers were going to deal him a somewhat severe blow. However, he did not see what else could now be done and he again stated that he thought the best plan would be for Italy to publish her own note.

I remarked that speaking purely personally, consensus of opinion in the notes in favour of Austrian independence seemed to me to outweigh divergences as to the methods. He observed that speaking equally personally he was somewhat fearful British Government might now not find it possible to support Dollfuss if the matter came before the League. I said though I had no instructions on the point I thought he might take it for granted such support would always be forthcoming if question at issue was interference by Germany in internal affairs of Austria.

He added that he would at once consult Signor Mussolini and what will be the result . . .<sup>4</sup> but that I might practically take it for granted that the views he expressed would be those of his chief.

Repeated to Paris.

<sup>2</sup> In a later copy of the telegram this word read: 'our'.

<sup>3</sup> The text in the later copy here read: 'and would utilise in every way fact that Dollfuss . . .'.

<sup>4</sup> The text in the later copy here read: 'Mussolini and let me know the result, but that . . .'.

*Sir E. Drummond (Rome) to Sir J. Simon (Received February 16, 6.35 p.m.)*

*No. 68 Telegraphic: by telephone [R 1048/37/3]*

ROME, February 16, 1934

My telegram No. 67.<sup>1</sup>

Signor Suvich asked me to come and see him again this afternoon. He said that he had spoken to Signor Mussolini who would deeply regret any failure on the part of the three Powers to come to an agreement as regards a joint communiqué. If this happened in such a minor question was there any chance of agreement if and when the Austrian appeal came before Geneva? He therefore begged me to enquire whether His Majesty's Government would not again consider the question and see whether it was not possible to reach an agreed formula. I said that I was of course prepared to submit any fresh proposals and after a long conversation I promised to put forward the following text. I added, however, that I could not in any way commit His Majesty's Government and did not at all know whether it could prove acceptable.

'The Austrian Government has enquired of the Governments of France, Great Britain and Italy as to their attitude with regard to the dossier which it has prepared and communicated to them and which contains a series of documents concerning the interference of Germany in the internal affairs of Austria.

'The conversations which have taken place between the three Governments on this subject have shown that they take a common view as to the necessity of ensuring Austria's independence and integrity which they are determined to maintain.'

The French Ambassador who had already received instructions from his Government was present during the latter part of my conversation with Signor Suvich and he has declared himself ready, on behalf of the French Government, to accept this formula. Personally I hope that you may think that the difficulties to which you refer in your telegram No. 69<sup>2</sup> are avoided since the formula makes it clear that the conversations between the three Governments have been limited to the subject of the Austrian dossier and have had no reference to present political events in Austria. Any amendment which you may think necessary to emphasise this point without specifically referring to present events in Austria is however likely to prove acceptable. With regard to the word 'volonté' you will see that the sentence has been somewhat changed and Signor Suvich said that all that was intended was that we should declare ourselves ready to stand by the treaties which provide for Austrian independence.

Both the Italian Foreign Office and the French Ambassador were most anxious that, if possible, the communiqué should be published tomorrow morning and asked me to telephone to you tonight in the hope of an immediate answer. I am, therefore, doing so.

<sup>1</sup> No. 283.

<sup>2</sup> No. 280.

No. 285

*Sir E. Phipps (Berlin) to Sir J. Simon (Received February 16, 10.0 p.m.)*  
*No. 72 Telegraphic [W 1682/1/98]*

BERLIN, February 16, 1934, 8.45 p.m.

My immediately preceding telegram.<sup>1</sup>

I hear the Chancellor wanted to reply immediately to last French note but was persuaded not to do so pending Mr. Eden's arrival by Ministry of Foreign Affairs.

In view of French reply the Chancellor is said to be now convinced that heavily armed Powers cannot be expected to disarm below existing level and that a convention would therefore tie no hands but Germany's for the next decade. A convention would thus only be of value in that it would legalise German rearmament. Failing a convention Germany obtains a complete free hand by default. He does not think anything can be gained by further notes or even a conference. He is in no hurry as Germany has no money and time is on her side.

My informant admitted that the German objections to the British air proposals were due to fear of control which would disclose considerable progress in German rearmament in the air.

Repeated to Paris (for Mr. Eden).

<sup>1</sup> Not printed. This telegram of February 16 reported comments by the 'Völkischer Beobachter' on the French *aide-mémoire* of February 14.

No. 286

*Sir W. Selby (Vienna) to Sir J. Simon (Received February 16, 10.40 p.m.)*  
*No. 45 Telegraphic [R 1052/37/3]*

VIENNA, February 16, 1934, 10.10 p.m.

Your telegram No. 19.<sup>1</sup>

Military Attaché's views undoubtedly indicate conclusions reached by numerous observers here.

Unquestionably recent events have pointed to domination of Chancellor by Heimwehr while danger as regards army is not one which can be overlooked.

Against acceptance of view that the Chancellor is no longer factor to be counted with, is attitude of Czechoslovak and French Governments, both Powers vitally interested in maintaining Austrian independence, who unquestionably desire to continue their support of Dollfuss as the last guarantee available against danger from Germany.

I consider we must take account of the views of these Governments and not do anything on our side which might weaken them in their attitude.

<sup>1</sup> No. 281.

The only policy that I can suggest is that we should endeavour to reach with France and Italy agreement of [*sic* ? on] common action as regards Austria and then endeavour to secure collaboration of Germany for a settlement of Austro-German dispute which so long as it continues must constitute a danger for peace of Europe.

In my opinion further developments of events in Austria and the tendencies whether of the Chancellor or other political leaders must of necessity be determined by agreement on the main problem which the Powers may be able to reach among themselves.

#### No. 287

*Lord Tyrrell (Paris) to Sir J. Simon (Received February 17, 4.20 p.m.)*

*No. 55 Telegraphic [W 1689/1/98]*

PARIS, February 17, 1934, 2.45 p.m.

Following from Mr. Eden:—

Previous to my meeting with French Ministers this afternoon<sup>1</sup> I had a conversation with M. Massigli this morning.

2. The impression left was not encouraging. He at once plunged into problem of S.A. and S.S. and while not belittling our new security provisions expressed a doubt as to their correct interpretation.

3. He asked me what I thought of Italian proposals. I replied that we should not regard as satisfactory any outcome of Conference which did not include some disarmament.

4. I thought that M. Massigli seemed tempted by Italian proposals though he admitted difficulty of establishing *status quo*.

5. Generally M. Massigli was gloomy and seemed almost reconciled to failure.

6. He was however urgent that I should stop in Paris on my way back and appeared to think there might yet be a chance of agreement if my visit to Berlin resulted in a firm offer from Germany on basis of our memorandum.

Repeated to Berlin and Rome.

<sup>1</sup> See No. 297 for the record of this meeting.

#### No. 288

*Sir J. Simon to Sir E. Drummond (Rome)*

*No. 70 Telegraphic: by telephone [R 1048/37/3]*

FOREIGN OFFICE, February 17, 1934, 3.0 p.m.

Your telegram No. 68.<sup>1</sup>

1. You should see Signor Mussolini at once and tell him that we remain

<sup>1</sup> No. 284.

anxious to co-operate in framing and publishing a joint declaration. The latest formula is an improvement and we are prepared to agree to a text as set out in the next following paragraph.

2. (Begins) 'The Austrian Government has enquired of the Governments of France, Great Britain and Italy as to their attitude with regard to the dossier which it has prepared and communicated to them with a view to establishing German interference in the internal affairs of Austria.

'The conversations which have taken place between the three Governments on this subject have shown that they take a common view as to the necessity of maintaining Austria's independence and integrity in accordance with the relevant treaties.' (Ends)

3. The small changes which we have made in the Italian text speak for themselves and you will have no difficulty in justifying them. You should at the same time show our text to your French colleague. We are communicating direct with Paris.

4. If it is possible to get Italian and French approval to this text today, we should be willing to give out communiqué tonight. 7 p.m. London time would catch our Sunday morning papers. If you get consent you could telephone fact of agreement forthwith, the sooner the better. If there is any further discussion as regards wording, it will be impossible to give out the communiqué till Monday.

Repeated to Paris.

#### No. 289

*Sir J. Simon to Lord Tyrrell (Paris)*

*No. 55 Telegraphic: by telephone [R 1048/37/3]*

FOREIGN OFFICE, *February 17, 1934, 3.0 p.m.*

My telegram to Rome No. 70.<sup>1</sup>

Text I have now proposed is slight variant of draft prepared yesterday in Rome by Signor Suvich and French Ambassador.

You should at once inform French Government of the proposal I have now made in Rome, and ask them to let me know without delay whether they agree to my text and time of publication.<sup>2</sup>

Repeated to Rome.

<sup>1</sup> No. 288.

<sup>2</sup> Lord Tyrrell telephoned at 5.30 p.m. on February 17 that the French Government agreed to the text and to the proposed time of publication provided that the Italian Government also agreed. The French Ambassador in Rome had been informed accordingly. (See No. 290.)

**No. 290**

*Sir E. Drummond (Rome) to Sir J. Simon (Received February 17, 6.20 p.m.)*

*No. 70 Telegraphic: by telephone [R 1054/37/3]*

ROME, February 17, 1934

Your telegram No. 70.<sup>1</sup>

After considerable discussion the text which you sent me in your telegram No. 70 has been accepted by the Italian Government, subject to a slight alteration in the sequence in paragraph 1. I have ventured to accept this change on behalf of His Majesty's Government. This paragraph now runs as follows:

'The Austrian Government has enquired of the Governments of France, Great Britain and Italy as to their attitude with regard to the dossier which it has prepared with a view to establishing German interference in the internal affairs of Austria and communicated to them.'

I assumed this responsibility in view of the fact that if the communiqué did not appear in tomorrow morning's papers, it would have to wait till Monday afternoon, there being no issue of morning papers here. The French Ambassador has agreed to the text on behalf of the French Government.<sup>2</sup>

<sup>1</sup> No. 288.

<sup>2</sup> The joint communiqué was issued at 7.0 p.m. on February 17.

**No. 291**

*Lord Tyrrell (Paris) to Sir J. Simon (Received February 18, 10.0 a.m.)*

*No. 58 Telegraphic [W 1691/1/98]*

PARIS, February 17, 1934, 8.35 p.m.

Following from Mr. Eden.

Lord Tyrrell and I had a three hours' conversation with M. Doumergue and M. Barthou this afternoon.<sup>1</sup> Though the French Ministers emphasized that they had no intention of withdrawing any of the concessions in disarmament offered by their predecessors, attitude of M. Barthou was distinctly critical of British memorandum. He complained that we were asking France to disarm while Germany was rearming. The two periods had disappeared. As to security there was no indication as to what action we proposed to take in the event of a violation of the Convention. He quoted Sir Austen Chamberlain's speech in the House of Commons on February 6<sup>2</sup> with approval but remarked that he could not attach the significance he would wish to his speech since it was that of a private member. He complained that our security proposals did not fulfil declaration of December 1932.

<sup>1</sup> For a fuller account of this conversation, see No. 297.

<sup>2</sup> See Parl. Deb., 5th ser., H. of C., vol. 285, cols. 1035-45.



2. M. Doumergue showed himself particularly concerned over para-military training. What would Germans say if France and England were similarly to train their young men and unemployed? There could be no real parity in effectives unless these formations were suppressed or taken into account. He even suggested supervision should come into force for Germany in respect of their para-military training before convention as a whole did so. I said that I was sure that no German Government could accept such a proposal which they would regard as discrimination against themselves.

3. French Ministers admitted that they had not had time for a Cabinet meeting upon disarmament and it was clear that they were not fully conversant with details of the problem. They undertook however to hold such meeting within the next few days when they would closely study our memorandum. They begged me to stop in Paris on my return journey when they would give me their considered view on our memorandum. After I had returned and reported to United Kingdom Government the two Governments would have full information necessary for reaching an agreement and M. Barthou was himself determined that such agreement must be reached. I fear however that French Ministers while no doubt sincerely anxious for agreement with us and even on certain conditions with Germany are less likely than their predecessors to make the concession which will alone make general agreement possible.

4. It is conceivable that French Government may on reflection offer acceptance of proposals such as are contained in our memorandum but if they do so it will only be as part of a convention which contains more clearly defined conditions as regards security. M. Barthou repeatedly reminded us that we had granted equality to Germany in a system of security. I need not say that I made it quite clear that His Majesty's Government were not prepared to go beyond what was contained in our memorandum.

Repeated to Rome and Berlin.

## No. 292

*Lord Tyrrell (Paris) to Sir J. Simon (Received February 18)*

*No. 55 Saving: Telegraphic [R 1066/37/3]*

PARIS, February 17, 1934

M. Léger expressed to me this afternoon his growing anxiety about the Austrian situation. He had reason to believe that Herr Dollfuss will hesitate to appear immediately at Geneva with his popularity seriously impaired among a considerable section of world opinion as a result of recent events in Austria, and that, encouraged by Mussolini, he will now wish to delay his appeal to the League until resentment has died down. If this proved to be so, M. Léger hoped that His Majesty's Government would do whatever they might feel to be possible with a view to hasten the appeal. It was more difficult for the French Government to work to that effect for the reason

that any action by France in this matter inevitably assumed the appearance of being directed against Germany.

2. Whilst I have no cause to doubt sincerity of this argument M. Léger is certainly also actuated by his knowledge of the reluctance with which French Government would do anything, particularly in present internal situation here, to antagonise French Socialists both in and outside Parliament.

3. M. Léger thinks an appeal to Geneva by Austria has the advantage that it can be made by Austria with less odium than it could be made by the Powers and that, in making that appeal, Austria will be doing a service to the Powers which are interested in the maintenance of her independence, but which, particularly France (for the reason given at the end of paragraph 1 above) would have some hesitation in inviting an appeal. It will also, he holds, tend to check independent and ill-considered intervention by Austria's neighbours by maintaining the question within the scope of collective action under the League. He is much impressed with the danger of an incursion of Italian troops which, as he said he now knew for a certainty since his conversation yesterday with Dr. Benes, would be followed by the immediate entry of Czechoslovak troops. Hungary and Yugoslavia would in all probability follow suit. This would spell war.

#### No. 293

*Sir W. Selby (Vienna) to Sir J. Simon (Received February 27)*

*No. 37 [R 1259/37/3]*

VIENNA, February 17, 1934

Sir,

When in the rout and demoralisation of 1919 the Socialist party triumphed in Vienna and seemed for a while to be sweeping away the old order in the country districts of Austria, the landed gentry and local leaders created successively, out of such remnants of the fighting forces as could be relied upon to fight first of all the returning troops and, later, the 'Marxist' menace, private forces variously known as the Heimatschutz, Ostmärkische Sturm-scharen, &c., which have now, after fifteen years of bitter hatred, succeeded, with the help of the Government and armed forces of the Confederation, in outlawing socialism in Austria.

2. The path to power of the Heimwehr, by which name the above forces are usually known, has not been an easy one; for in September 1931 they tried a 'Putsch' which ended in a fiasco and succeeded only in showing the internal jealousies which to this day persist in their ranks. Moreover, since the rise to power of Herr Hitler in Germany, their rank and file—no longer the ex-combatants of 1919, but largely undisciplined youths recruited since that date—have been subjected to serious Nazi propaganda.

3. But, at their back was the steadfast support and secret monetary

backing of Italy, whose representatives in Vienna maintained—and probably still believe—that the Heimwehr units, scattered throughout Austria, could be turned, after the Fascist pattern, into armed ‘cells’, and so, once they had been imbued with Italian ideas with regard to the substitution of ‘authoritarian’ for parliamentary government, serve as an armed defence for the corporative State against any subversive attacks from other parties within Austria.

4. Thus, Italy hoped to create in Austria a bulwark against Austro-German amalgamation and the menace to her very life of demands for return of the ‘lost’ Germanic Province of South Tyrol, if not of Trieste and the Trentino.

5. For this protection of her interests Italy was prepared to pay, and particularly, since August of last year, she has paid handsomely in increased timber purchases, railway facilities for Austrian produce, and, as is still believed here, a promise made to Dr. Dollfuss by Signor Mussolini at Riccione that Italian troops would, if necessary, prevent the incursion of the Austrian Legion into Western Austria if Italian diplomacy could not persuade Germany of the danger of precipitating a crisis in Europe by encouragement of armed attacks upon the Austrian Government. But the price demanded in return was, there is little room for doubt, a free hand for the Heimwehr in eradicating from Austria a socialism which was opposed to, and incompatible with, Fascist ideals, of which the Heimwehr had become the active instruments and paid agents, despite the fact that originally its leaders were actively Germanophil and Prince Starhemberg a participant of the Annaberg battle for the freeing of Upper Silesia from Polish occupation. In a country such as Austria, which is fundamentally German, as distinct from Prussophil, this price was a heavy one for Dr. Dollfuss to pay, and he undoubtedly managed with great skill to reject or evade Heimwehr demands on more than one occasion, as is shown by the rising discontent in Heimwehr ranks as regards his obvious reluctance to proceed to extreme measures against the Rathaus and the Socialist organisation. But the growth of Nazi propaganda and the menace thus created to the very existence of Austria rendered such resistance more and more difficult.

6. Thus it was that Major Fey became Vice-Chancellor and Prince Starhemberg—an unconvincing and tactless leader of what is still, in point of fact, but a small faction, torn by internal jealousies and precariously united only by its fanatical hatred of socialism—a power with which the Chancellor had ever to reckon and temporise.

7. Finally, in January, Major Fey obtained control of the fighting forces, consisting of the police and gendarmerie of Austria, and from that day it became increasingly obvious that he would try conclusions with his old enemy, socialism, although few guessed, to the last, how ruthlessly he would settle his old-standing account with the Socialist party.

8. The exact extent to which Dr. Dollfuss himself was a willing party to what followed is difficult to judge. He was absent at Budapest<sup>1</sup> during the

<sup>1</sup> Dr. Dollfuss visited Budapest February 7-9.

critical days before the attack upon the Socialists at Linz, when plans for the seizure of the Rathaus were almost certainly drawn up, although the Government maintains that this only took place on the 12th February as a result of 'armed insurrection' on the part of the Socialist party. My private information, from a reliable source, is to the effect that the Chancellor was present at a meeting on Sunday<sup>2</sup> afternoon, when it was decided to appoint Herr Schmitz as Government Commissioner in place of Herr Seitz, when the seizure had been effected. But it is fair, in view of his previous record, to conclude that he saw at least the danger of driving into the Nazi ranks the rank and file of the only party which, in Austria, was solidly arrayed against Nazi forms of government. None the less, he must have been party to the series of decrees by which, under cover of anti-Nazi activity, the railways and Government Departments were 'cleansed' of all but 'loyal' elements, in preparation, beyond doubt, for the last phase, which began with the Tyrolese and other provincial demands reported in my despatch No. 32<sup>3</sup> of the 5th February, and amounted, as therein stated, to a Heimwehr 'Putsch', at Italian instigation, for the establishment of 'authoritarian' government in Austria.

9. Of these machinations the Socialist party was well enough aware, but its leaders were by now in a dilemma. On the one hand, their rank and file were demanding protection against further victimisation and encroachment upon their privileges and liberties; on the other, they knew that they had not, since Parliament had been dissolved, the power to enforce such demands; that, by pressing them home, they were merely playing into the hands of the Heimwehr leaders, and that a worse danger than Austrian fascism threatened Austrian socialism and its Jewish leaders should Dr. Dollfuss be supplanted by a Nazi régime. As is proved by the fact that they were mostly taken prisoners in their offices or houses, the Socialist leaders therefore endeavoured to the last to come to terms, however abject, with Dollfuss; at the same time making the serious mistake of encouraging their followers to believe that any attempt to seize the Rathaus must be resisted, if necessary, by force of arms. How futile was this typically Austrian play-acting is shown by the fact that even the military organiser of the Schutzbund, General Körner, was among those taken prisoner, without a struggle, according to Government reports.

10. But behind the velvet glove of Dr. Dollfuss was now the mailed fist of Major Fey, and both knew that, in the provinces, the peasantry and middle-classes—who for years had been taught by their political leaders to impute their heavy taxes, excessive rates of interest, and growing economic difficulties to the 'blood sucking of Red Vienna'—were becoming more and more infected with the virus of Nazi propaganda. Seizure of the Vienna Municipality would satisfy and strengthen the loyalty of these circles and so help the Government, at least for a time, to fight the Nazi menace. Major Fey

<sup>2</sup> February 11.

<sup>3</sup> Not printed. This despatch reported the pressure being exercised by the Heimwehr on the provincial government of the Tyrol.

therefore prepared to seize the Rathaus and crush socialism throughout Austria, and the Socialist leaders, their piteous bluff called, were forced to call a general strike. In answer to this signal the Schutzbund formations appear, by a preconcerted plan which could not be cancelled from Vienna in time, to have assembled in their dwelling places and headquarters, there to wage a leaderless and desperate battle against the armed forces which Major Fey was given the excuse to send against them when, on Monday, the 12th February, some police who had been detailed to search a Socialist headquarters in Linz for hidden arms were shot at by the excited Schutzbündler.

11. Resistance at Linz was particularly bitter; in Graz casualties were heavy; in Brück an der Mur and throughout the industrial towns and villages of Styria, the regular forces did most of the fighting, while Prince Starhemberg arrogated to himself and to his Heimwehr men the majority of the glory and publicity. But, as is natural, attention was focussed principally upon Vienna, where, in the large blocks of municipal workmen's flats which surround the city, Government forces besieged desperate bands of Socialists, being forced, after suffering losses, to fire with rifle, machine-gun and artillery upon the tenements which had not all been evacuated by non-combatants, women or children, until the 'forts' of Heimwehr imagination had surrendered, and peace had temporarily been established in the cowed and embittered neighbourhoods. That the troops were forced by the bitterness of the defence to take such action is beyond doubt, nor have I heard of any accusations of savagery except against Heimwehr men; the responsibility for the orders given and the nature of the operations rests primarily upon Major Fey, who personally directed the attacks and to whom a Socialist is a Bolshevik, a traitor and a rat deserving of no pity.

12. According to Government reports, which seek to lay emphasis upon the traitorous cowardice of the Socialist leaders, Dr. Bauer made his way to Czechoslovakia without delay. Dr. Deutsch, on the contrary, was undoubtedly wounded fighting with his men in Floridsdorf; but the Government press published a report that he, too, had succeeded in reaching Bratislava with the help of a French passport and Czechoslovak visa, issued by the two Legations concerned in Vienna.

13. So far as can be judged at present, the Government has definitely gained the upper hand in Vienna, although bands of Schutzbund fugitives are said to be hiding in the woods around Vienna, and sporadic resistance must be expected here and in the provinces for some days to come. Martial law and the curfew still prevail in Vienna, Upper and Lower Austria and Styria; but the barricades which had been erected in Vienna round the inner town have been removed and, in the quarters of the city usually visited by foreigners, life is resuming its normal aspect.

14. The official estimate of casualties, published on the 16th instant, shows 102 killed and 319 wounded among the Government forces and auxiliaries, and 137 killed and 339 wounded in the Socialist ranks; a total of 239 dead and 658 wounded, of whom 147 were killed and 373 wounded in Vienna

alone. But these figures are quite unlikely, for obvious reasons, to be correct; and rumour is naturally busy increasing the losses on both sides and supplying the foreign press with figures which can hardly, in any case, be confirmed. Schutzbund prisoners in Government hands are estimated at anything between 400 and 4,000, of whom the Government tried eleven by court-martial on the 14th February, and hanged two for armed insurrection, one of them being brought wounded from hospital to be tried, and executed within three hours. Since then, two further executions have taken place in Steyr and Graz, but a conditional promise of clemency broadcast by the Chancellor to all 'excepting leaders' who should surrender by noon on Thursday gives some slight ground for hoping that the prudence and humanitarian views of Dr. Dollfuss may, now that the fighting has died down, triumph over the short-sighted views of Major Fey in this important respect.

15. I propose, in a separate despatch,<sup>4</sup> to deal with the repercussions and more probable results of these unfortunate events.

16. I am sending a copy of this despatch to His Majesty's Ambassador in Berlin.

I have, &c.,  
W. SELBY

<sup>4</sup> See No. 300.

#### No. 294

*Sir E. Phipps (Berlin) to Sir J. Simon (Received February 18, 10.0 a.m.)*  
*No. 74 Telegraphic [R 1064/37/3]*

BERLIN, February 18, 1934, 12.30 a.m.

Chancellor told French Ambassador on February 15 that he considered Dr. Dollfuss had behaved with criminal stupidity in firing on Socialist workmen and women and children. His hands were now stained with the blood of his own people and he would very soon fall and be replaced by a National Socialist Government.

Repeated to Rome, Paris and Vienna.

#### No. 295

*Sir E. Phipps (Berlin) to Sir J. Simon (Received February 18, 9.30 a.m.)*  
*No. 73 Telegraphic [W 1694/1/98]*

BERLIN, February 18, 1934, 12.32 a.m.

French Ambassador tells me he met the Chancellor after dinner the night before last.<sup>1</sup>

He complained to Herr Hitler that German Government was much less

<sup>1</sup> i.e. February 15. This telegram was drafted on February 17.

forthcoming in writing than in conversation with him. For instance the last German note brushed lightly over vital questions such as control over S.A. and S.S., Locarno and Pacts.

The Chancellor replied as follows:—

He would accept any control accepted by all the other Powers.

It was easy to prove non-military character of S.S. and S.A. by applying four conditions to them:—

1. They must have no arms.
2. No instructions in use of arms.
3. No (*manœuvres?*)<sup>2</sup>
4. No connexion with officers of regular army.

M. François-Poncet replied that these Associations infringed all of the above-mentioned conditions. This the Chancellor vigorously denied and declared that he would himself deplore the existence of semi-military bodies alongside of the regular army.

Herr Hitler again said that he recognised Locarno and considered Germany bound by it.

As for the Pacts he would agree to the violator thereof being subject to general sanctions.

The Chancellor then said that further exchange of Notes should cease. Why could not a French statesman come here and discuss with him? M. François-Poncet replied that public opinion in France would be suspicious of such a *tête-à-tête* which might indicate an intention on the part of France to betray her friends. Moreover disarmament was a general concern and should be discussed by all the Powers interested. Herr Hitler then said he would go anywhere and discuss it with anybody.

French Ambassador has the impression that the Chancellor probably really desires a convention or anyhow wishes to avoid all responsibility for failure to sign one.

His Excellency told General von Blomberg the same evening that it was nonsense to pretend that Germany had not armed greatly in excess of the Treaty stipulations; the French Government knew to the contrary from secret service reports. General von Blomberg replied that those reports were 'probably exaggerated' but virtually admitted the soft impeachment.

The Chancellor assured French Ambassador that he did not wish France to disarm: there was a grave Bolshevik danger and a more distant danger from Japan.

M. François-Poncet telegraphed full account of his conversations to French Government yesterday.

Repeated to Rome and Paris (for Mr. Eden).

<sup>2</sup> The text is here uncertain.

No. 296

*Sir W. Selby (Vienna) to Sir J. Simon (Received February 18, 8.40 p.m.)*

*No. 48 Telegraphic [R 1057/37/3]*

VIENNA, February 18, 1934, 7.35 p.m.

Political Director informed me this morning that probability was Austrian Government would wait to see effect on Germany of joint Anglo-French-Italian declaration before appealing to the League. He believed this to be Chancellor's view. He said Italy did not desire Austria to appeal to the League despite the apparent agreement with the French and ourselves.

Austrian intention is probably to see whether Nazi agitation will subside. At present every effort has been made from the German side to exploit recent events against Austrian Government.

Repeated to Berlin and Rome.

No. 297

*Lord Tyrrell (Paris) to Sir J. Simon (Received February 19)*

*No. 292 [W 1747/1/98]*

PARIS, February 18, 1934

His Majesty's Ambassador at Paris presents his compliments to the Secretary of State for Foreign Affairs, and has the honour to transmit to him the minutes of a meeting on the 17th February on disarmament.

ENCLOSURE IN No. 297

*Record of a Conversation held in the Office of the President of the Council on  
Saturday, February 17, at 2.15 p.m.<sup>1</sup>*

Present:

FRANCE.

M. Doumergue.  
M. Barthou.  
M. Léger.  
M. Massigli.

UNITED KINGDOM.

Mr. Eden.  
Lord Tyrrell.  
Mr. Campbell.  
Mr. Strang.

Mr. Eden opened by thanking the French Ministers for receiving him. He said that His Majesty's Government were anxious to learn the views of the French Government upon the United Kingdom memorandum on disarmament. As they knew, he was to continue his journey to Berlin and Rome. It had been considered essential that he should come to Paris first, and he was willing, in accordance with the invitation M. Barthou had already been so good as to give him, to pass through Paris again on his way home.

<sup>1</sup> This record was made by the British representatives for the use of His Majesty's Government.



M. Doumergue said that the French Ministers were happy to see Mr. Eden. The various memoranda recently published were the necessary elements for a study of the question of disarmament. There was one point, however, upon which there was some obscurity. What was meant by armaments? As generally understood, the effectives of an army consisted of the army proper, the reserves and the territorial army. Since the war, however, other kinds of organisations had been created, side by side with the regular army, having a military character and with the quality of permanence. He insisted on the fact that the French reserves, when called up for service, did only about a week's training a year, and their military value was not great. The opening of the Great War had proved it was the army proper which was alone capable of offering resistance. Reserves required three months' further training before they could properly meet trained troops. However that might be, the various constituents of the French army such as it existed were all known and written down on paper. In other countries this was not so. In Germany, side by side with the Reichswehr, there were pre-military and para-military organisations about 1,200,000 strong. It could not be said that these formations had no military value. Thanks to these formations the Germans could put 700,000 to 800,000 men into the field at once. That was why the French insisted upon a clear definition of such formations.

M. Doumergue added this was the only statement he wished to make, and he trusted that Mr. Eden would remember it when he held conversations in Berlin and Rome. It was not surprising that France was disturbed when such things were going on in a neighbouring country, and he was sure that the United Kingdom would feel the same. France and England represented a great civilisation, and were the only two great countries who still possessed a sentiment of order. If they were to be separated, or if either of them was in danger, what would the world become? He could assure Mr. Eden, after forty years of public service, that he was now speaking for France, and he hoped that Mr. Eden would remember what he had said when he spoke to the Germans and the Italians.

Mr. Eden said that he had appreciated that one great difficulty would be the question of para-military training. On that point it would be necessary to see what could be done. What had chiefly disturbed his colleagues was the situation that would arise if no convention was reached. He assumed that the French, no less than ourselves, were agreed on the necessity of a convention. The whole object of his tour was to see if it was possible to report to his Government that there was a basis for general agreement.

As regards para-military training, he was sure that the Germans would say, as they had already said, that the formations in question had no military character and that they were prepared to prove it. On the assumption that it was possible to work on the basis of the United Kingdom memorandum, he would like to ask what proposals the French Government could make on this subject which might be possibly acceptable to the Germans. One thing which the Germans could not accept was the dissolution of these

organisations. The two limiting factors in the problem were, first, the German need for such formations for internal reasons, and, secondly, the nervousness which their existence created in France and in other countries.

M. Doumergue suggested that the Germans should be asked what they would say if the French in their turn gave similar training to their young men and to their 400,000 unemployed. Would they still hold that these formations had no military character? Mr. Eden might put this question to the Germans. In his own view, such formations should be suppressed altogether. The point was not whether or not the Germans would be willing to suppress them, but whether or not they had a military character. Everyone knew that they were military in character.

M. Barthou opened his remarks by insisting upon the sentiments of friendship and solidarity which united the Governments and peoples of France and the United Kingdom. Liberty, he said, was safe so long as they were in agreement, but would be imperilled if they ceased to agree. In what he was about to say he would speak in all sincerity and frankness as was proper to a conversation like the present one.

The British memorandum, he said, had the virtues of loyalty and clarity, and it was the result of an examination of conscience. It did not claim to embody the whole immutable truth, but left the door open for modifications. Situations were transformed by facts, and since the 29th January, when the United Kingdom memorandum was issued, the situation had undergone a great change as a result of events in Austria. Was it not right to think, as M. Benes did, that recent events in Austria had revealed the situation as it really was, and that the Governments concerned no longer had the same liberty of manœuvre as they had when the United Kingdom memorandum was drafted? It would be desirable therefore to proceed with great prudence.

As regards the attitude of the French Government, he wished categorically to say that, in their view, it was better to have a convention which really satisfied no one, but which created reciprocal rights and obligations, than to suffer failure.

The views expressed in the French reply to the Germans of the 14th February were exactly the same as those expressed in their memorandum of the 1st January. If there was possibly any difference of tone it was due to the fact that no results had been achieved. But there had been no change in policy, and Mr. Eden could so inform the Germans.

Passing to the British memorandum, which the French Government would examine with the full intention of reaching agreement if possible, he would offer the following criticisms. In the first place, the probationary period had been suppressed. He recalled the agreement reached between the various Governments in October 1933 for a preliminary period, and remarked that the only element of this which remained in the United Kingdom memorandum was a probationary period of two years in respect of aviation. The United Kingdom Government were taking this precaution, he assumed, because they were vulnerable from the air, Great Britain being no longer

an island for strategic purposes. But they deprived the French of their probationary period in respect of land armaments.

In the second place the general effect of the United Kingdom memorandum in the matter of effectives and material was that France would be disarmed in part and Germany rearmed in part. French effectives would be diminished while German effectives would be increased, if the proposals of the United Kingdom memorandum came into effect. He would ask His Majesty's Government to secure from the Germans that there should be no military training at all outside the army. The memorandum did not really do this. It suggested that the character of these formations should be verified by means of control; but from what moment would the control operate? If it only began to operate when the convention was signed, this was rather late. Why could not this verification take place at once in advance of the coming into force of the convention?

Mr. Eden said he felt sure the German Government could not accept this, as it would mean adopting one rule for certain countries and another rule for other countries.

M. Barthou said that this was not so. Germany had not yet been freed from the disarmament clauses of the treaty and her military effectives were subject to the provisions of the treaty. Even if this were not so, he would remark that the recognition of Germany's equality of rights was to be accompanied by provisions of security.

As regards effectives, the United Kingdom memorandum suggested that the figure should be reached as a matter of negotiation somewhere between 200,000 and 300,000 men. As regards material, it proposed destruction by France of certain guns and certain tanks as from the first year. It also proposed to give Germany certain guns and tanks to which she has at present no right. The French public and Parliament were asking where this was leading to and were gravely disturbed by the proposal for the disarmament of France accompanied by the rearmament of Germany. He would ask Mr. Eden not to lose sight of this fact.

He would recall that on the 6th February M. Bérenger had submitted a report of the Foreign Affairs Commission of the Senate, in which it was declared that in the present state of Europe and of the world it was not possible to diminish in any way the defensive forces of France. On the 14th February the Army Commission of the Senate had unanimously reached a similar conclusion (the text of this report is contained in Paris despatch No. 291<sup>2</sup> of the 16th February). In the following week the Air Commission and the Maritime Commission would pass the same resolution. All these resolutions showed that what was chiefly lacking in the United Kingdom proposals was security. If it were asked why the French Government resisted reduction in its armaments, the reply was because the United Kingdom memorandum offered them nothing in exchange. It contained nothing about sanctions, but merely a proposal for consultation. At what moment

<sup>2</sup> Not printed.

would this consultation take place? Only after the violation of the convention had occurred. And what action would be taken as a result of such consultation? On this point the memorandum said nothing. The declaration of the 11th December, 1932, contained a reference to security as well as to equality of rights. In spite of this, the United Kingdom Government had given the French Government nothing in the matter of security. M. Barthou then quoted with approval Sir Austen Chamberlain's speech in the House of Commons on the 6th February,<sup>3</sup> where he said that His Majesty's Government were going 'to seek effective steps to prevent a breach of the convention'. M. Barthou remarked, however, that the speaker was not a member of the Government, but merely a private member. He recalled also that Sir Austen Chamberlain had asked whether the maintenance of the demilitarised zone was unaffected by any language used in regard to equality of status, and that Sir John Simon had confirmed that this was so. M. Barthou's only comment on this was that even in the demilitarised zone the Germans were not fulfilling the terms of the treaty.

It was not unfair to remark in conclusion that, as regards naval armaments and air armaments, equality of rights had been put off for two years, and that these were both spheres of special interest to the United Kingdom; whereas in the matter of land armaments His Majesty's Government had said: *Que messieurs les Français désarment les premiers!* He had spoken with frankness and sincerity, but also in friendship. A complete *entente* between England and France would make them masters of the destiny of Europe and guardians of peace.

Mr. Eden said that it had been no part of the intention of His Majesty's Government in their memorandum to take special precautions in regard to the spheres which most concerned them, namely, the sea and the air, and demand the greatest sacrifices in the sphere of land armaments, which were a chief concern of France. Nor had they done so; M. Barthou was wrong in his dates. The Naval Conference would open next year, probably before any disarmament convention could come into force. As regards land armaments, the measure of disarmament in the early stages of the convention period was not of a formidable character. His Majesty's Government had tried to find a basis which could fairly be accepted by all parties. A careful analysis of the United Kingdom memorandum would show that the balance of advantage would incline, if it inclined at all, rather to the side of France than to the side of Germany. The three points which seemed to him to be most clearly in France's favour, none of which M. Barthou had mentioned, were, first, the proposal for a ten-year instead of a five-year convention. This would ensure to France a superiority in material for ten years. Secondly, the proposal as regards air armaments. The effect of this would be that, even if military aviation was not abolished at the end of two years, Germany would not reach numerical parity with other great air Powers until ten years from the coming into force of the convention. Thirdly, security. M. Barthou

<sup>3</sup> See No. 291, note 2.

had said that His Majesty's Government had offered the French Government nothing. This was certainly not the view held by His Majesty's Government or by the British public. In their opinion, a great advance had been made from the British side. The Draft Convention had proposed consultation in the event of a breach of the Kellogg Pact. The memorandum proposed consultation in the event of a breach of the convention itself. This was an advance to meet the French point of view, the significance of which could not be denied. The French criticism now appeared to be that all that was promised was consultation and that no promise was made that any action would be taken. One thing at least was clear, that no Government in the United Kingdom could contemplate giving security as part of a convention which made no provision for disarmament. In any event, he had no authority to go beyond the terms of the United Kingdom memorandum. Moreover, if the French policy really were as indicated in the resolutions of the commissions of the Senate referred to by M. Barthou, he could not conceal that it was clearly impossible to ask any British Government to enter with enthusiasm into any convention which failed to secure any disarmament.

M. Doumergue asked whether the atmosphere of the world at present was one of peace. The United States of America had refused to enter the League, and Japan and Germany had given notice of their withdrawal. The Japanese had made war, and the Russians were in fear of war from Japan and felt themselves threatened by Germany also. France and England were left alone as the guarantors of peace. The French did not ask the British to reduce their naval and air forces, and would not object if the 1935 Naval Conference resulted in an increase in British naval armaments. Yet the British were asking the French to reduce their means of defence. The Germans were already building aerodromes in the demilitarised zone. Their military air force, though moderate in size, was formidable in quality. They had already broken the treaty and would go on breaking it. The time would come when Germany would ask for the return of her colonies, and what would the answer be if, in the meantime, she had been given everything for which she had asked in other fields. Every concession made to Germany was a point of departure for a new demand. After the French it would be the turn of the British. The right course would be to adopt an attitude of dignity towards the Germans and tell them that they must not ask the French, fifteen years after the war, to place themselves in a position of inferiority.

Lord Tyrrell said that he must refer to one point on which both Governments were in agreement, and this was a point upon which attention should be concentrated. They both wished Germany to return to the League.

M. Barthou said that the frankness of his attitude ought not to create a sentiment of pessimism. The French Government had not said finally and immutably that they would not disarm. The resolution of the Army Commission of the Senate did not say this. It gave the three conditions of security, in the absence of which it would be imprudent to disarm. These

three conditions were a régime of effective international solidarity, the creation of an international force, and the institution of a trial period. The French view was 'no disarmament unless there is security'.

The French Government would, however, re-examine the memorandum all the more readily as the memorandum had said that the door was open for negotiations. The difficulties relating to the reduction of armaments were capable of adjustment, and these were not being discussed at the present meeting. The real problem at issue was the insufficiency in the matter of security.

Mr. Eden said that he must make plain his point of view as regards security. His Majesty's Government had made a large advance. He had no authority to say, and no reason to suppose, that His Majesty's Government would be prepared to offer more than they had offered in the memorandum. But, speaking unofficially, he would say that if there were conditions, whether in the sphere of security or in other spheres, upon which the French Government could accept the United Kingdom memorandum, let the French say what these conditions were.

He wished to make a further point. If no convention was concluded, what would be at stake would be not merely disarmament, but the whole future of the League of Nations, which His Majesty's Government were no less anxious than the French Government to uphold and strengthen. The issue which they had to face was whether there was to be a convention or no convention. Upon that issue depended the safeguarding or the loss of all that had been achieved in the sphere of the organisation of peace since the war. It was the realisation of the gravity of this issue which had moved His Majesty's Government to prepare and present their memorandum. The proposals contained in the United Kingdom memorandum would not make France inferior to Germany, but would secure the superiority of France in material for ten years—a superiority which it might be difficult to preserve if there were no convention. The United Kingdom memorandum did not, indeed, give the French all that they wanted; no disarmament convention could do that. But when he returned to Paris he would be glad to proceed to a further exchange of views, and to put to His Majesty's Government any further considerations which the French Government might have to advance, after a further and closer examination of the memorandum.

M. Barthou said that it had emerged from the conversation that the two chief differences between the two Governments were, first, on the question of effectives and material, and, secondly, on the question of security. French effectives and material were to be diminished and German effectives and material were to be increased, and no account was to be taken of the paramilitary organisations. It was true that there might be some superiority for France during the ten years of the convention, but there was an appreciable reduction in her armaments, and on this point he would recall that the Italians proposed that the French should keep all that they had. In any case, it was not right to say that French superiority would be maintained

intact. As regards security, it was understood that neither Mr. Eden nor the French Ministers had engaged their Governments in anything they had said.

He felt it right to explain that the French Government since its formation had had a number of grave international questions to consider, as well as internal problems, and it had not yet been possible for them to hold a meeting of the Council of Ministers to decide upon their attitude on the question of disarmament. Before Mr. Eden returned they would hold a special meeting to consider the question. They would, however, not disavow anything that had been said or done by their predecessors. After Mr. Eden had returned to London and reported to his Government, the two Governments might consider how an agreement could be reached, and M. Barthou was emphatic that agreement must be reached. There was no other way of preserving the peace.

In such conversations as the present the last word was never said. He would ask Mr. Eden to try to bring a precise answer from the German Government and to assure the German Government that the French Government were sincerely desirous of peace. Without an understanding between France and Germany peace was precarious. The French Government had not taken up an immutable attitude in opposition to the conclusion of an agreement.

At the conclusion of the meeting the following communiqué was agreed upon and issued to the press:—

‘Mr. Eden, Lord Privy Seal, accompanied by Lord Tyrrell, Mr. Campbell and Mr. Strang, was entertained at luncheon today by M. Louis Barthou, Minister for Foreign Affairs. M. Gaston Doumergue, President of the Council, MM. Herriot and Tardieu, Ministers of State, Marshal Pétain, Minister for War, M. Piétri, Minister of Marine, General Denain, Minister for Air, were present at the luncheon.

‘A long conversation subsequently took place in the office of the President of the Council between the British representatives on the one side, and MM. Doumergue and Barthou, assisted by MM. Léger and Massigli, on the other.

‘The Ministers proceeded in a spirit of perfect frankness and friendship to a complete exchange of views upon the last British memorandum on the question of disarmament, and also examined in a general way the prospects of realising that international agreement on the question of disarmament which is equally desired by both parties.’

## No. 298

*Sir R. Lindsay (Washington) to Sir J. Simon (Received February 20, 9.0 a.m.)*

*No. 70 Telegraphic [W 1754/198]*

WASHINGTON, February 19, 1934, 7.22 p.m.

Under-Secretary of State handed me today memorandum on disarmament in reply to latest proposals of His Majesty's Government (text in my im-

mediately following telegram<sup>1</sup>). He informed me that United States Government had great sympathy with views propounded in British memorandum, far more so than with those of Italian scheme. It was the hope of State Department that their present reply might be of material support to His Majesty's Government.

Memorandum will be communicated tomorrow to French and Italian Ambassadors and to United States Ambassador Berlin.

Under-Secretary of State told me Mr. Norman Davis is probably leaving for Europe quite soon on private business and will be available later if required for further discussions.

<sup>1</sup> No. 299.

### No. 299

*Sir R. Lindsay (Washington) to Sir J. Simon (Received February 20, 9.30 a.m.)*

*No. 71 Telegraphic [W 1755/1/98]*

WASHINGTON, February 19, 1934, 10.8 p.m.

My immediately preceding telegram.<sup>1</sup>

Following is text of United States memorandum. Begins:

The American Government has given careful study to the British memorandum on disarmament dated January 29. In many ways the British suggestions are identical with ideas expressed by the American delegation since the opening of General Disarmament Conference in 1932: in other respects they do not go so far in measure of actual disarmament as had been contemplated. The American Government has held the view that the most logical way in which to limit and reduce armaments was to limit and reduce use to which such armaments could be put. This in turn implied a strengthening of defensive power of a State and a corresponding reduction of its offensive power. To accomplish this, there were three main methods: the first, to abolish weapons of primary use in invasion, such as heavy mobile artillery, heavy tanks, bombardment aviation, etc.; second, continuous and automatic inspection; third, and in connexion with general disarmament convention, there should be a universal pact of non-aggression in which an undertaking would be given that armed forces of no State should invade the territory of another country in violation of treaty rights.

In noting that British proposals do not go so far, the American Government appreciates that they were probably drafted with a view to meeting the complexities of the present political situation in Europe and at the same time to achieve a large modicum of real disarmament. While the American Government is not in any way a participant in European political problems and therefore does not take part in diplomatic discussions relating thereto, it is nevertheless vitally interested in maintenance of European peace and,

<sup>1</sup> No. 298.



therefore, welcomes effort of the British Government to bring about agreement. This Government is in complete accord with British Government in viewing a convention involving an actual reduction in armaments not only as essential in itself, but as facilitating a general political appeasement. While reserving its position on a few technical points, and of course on modifications to Part I, which, as Mr. Davis indicated on May 24, 1933, it could not sign, the American Government is therefore in sympathy with principles of British suggestions, and hopes that a successful resumption of general disarmament discussions may thereby be brought about.<sup>2</sup>

<sup>2</sup> The text of this *aide-mémoire* is printed in *Foreign Relations of the United States, 1934*, vol. i, pp. 22-23.

No. 300

*Sir W. Selby (Vienna) to Sir J. Simon (Received February 27)*

*No. 40 [R 1262/37/3]*

VIENNA, February 19, 1934

Sir,

As a result of the struggle reported in my despatch No. 37<sup>1</sup> of the 17th instant, the Government's position has no doubt been strengthened in the provinces by the elimination of the hated Socialist party; the Heimwehr, with its Italian orientation, is triumphant, and Austria seems, to Italian eyes, to have taken a step towards Fascism.

2. But in the opinion of the 'watching army' of Nazis and pan-German sympathisers in this country the Austrian Government has equally certainly, by its ruthless suppression of Socialism, delivered Austria into the hands of National Socialism. Fanatics of this way of thinking argue that, whatever the Government may do to heal the wounds of the rank and file of Socialists, these, with their large stocks of still uncaptured arms, will flock to the Nazi standards as their only hope; their eyes opened by the futility of their Socialist leaders' promises 'and their hearts filled with bitterness at the bombardment of their crowded tenements and the wholesale slaughter of their women and children'.

3. Moreover—and of this there is unfortunately independent evidence—the methods employed by Major Fey have, in the eyes of these active propagandists, so shocked many who have hitherto stood aloof or supported the Government that they will henceforth promote the Nazi cause, 'whose triumph is now but a matter of time and waiting—because Hitler has definitely forbidden the use of armed force in taking over Austria'.

4. With the 'blood-stained Austrian Government of today' the Nazi party in Austria will therefore have no truck; waiting until the 'sheer weight of public opinion drives it out into the wilderness to be replaced, while elections are being prepared, by a purely Austrian Nazi Government under Lieu-

<sup>1</sup> No. 293.

tenant-Colonel Bardolff, who enjoys the full confidence and active sympathy of the armed forces of Austria'. Meanwhile, the 'campaign of remonstrance' is to be continued and intensified throughout Austria.

5. There is every indication that no stone is being left unturned to attract Socialists into the secret Nazi organisations in Austria; but I am not as yet certain that this policy of patient waiting is not a sign of weakness rather than strength. Substitution of General [*sic*] Bardolff for General Schönburg-Hartenstein as head of the Military Government on which the Nazi party now pins its faith for the accomplishment of its designs bears out this belief; for General Schönburg-Hartenstein is undoubtedly popular among the rank and file of the army, though this does not rule out the chances of a sudden seizure of power by some of his subordinates, whose Nazi proclivities are already known to you from my previous despatches.

6. Failing armed intervention by Germany, some such *coup de main* would seem, as matters stand at present, to be a necessity if the Nazi party is soon to come into power in Austria in the face of the armed forces of Austria. These forces, I learn on very confidential and reliable authority, it is the Cabinet's intention to augment, if need be, 'to such an extent as may be necessary to ensure the peace and independence of Austria'. Plans are being drawn up for recruitment of 'twice the present number of men', and the Chancellor has received assurances from his financial advisers that 200 million Schilling would be forthcoming for this purpose: roughly twice the present army budget, exclusive of police and Heimwehr.

7. The Chancellor is therefore drawing up his forces, as best he can, to do battle with the 'Brown' enemy. He has as auxiliaries to his regular forces a body—the Heimwehr—which derives its ideas (and has in the past drawn its funds, if not accepted its orders) from Italy. Its second-in-command, Major Fey, is a sworn foe of Socialism, and, as such, is at one with the leader of the Heimwehr, Prince Starhemberg. So long as Italy can convince this force of the superiority of an Italian over a Germanic orientation, the Heimwehr may be accounted an obstacle to Nazi domination of Austria.

8. But Major Fey is himself by descent German, of Brandenburg origin; Prince Starhemberg fought at Annaberg for the liberation of Upper Silesia from Poland, and one, at least, of his lieutenants and close friends, Count Alberti, was not long ago in direct communication with German emissaries and believed to have Prince Starhemberg's permission to carry on the negotiations.

9. The Heimwehr, moreover, is a scattered, ill-disciplined, jealous conglomeration of ill-assorted elements very sensitive to local feeling and, were the rank and file to find that their Italian leanings were unpopular—as they must be in the long run—in such Germanic districts as Tyrol, neither they nor their leaders are likely to make a stand for Rome against Munich—though, like most Austrians, they have little stomach for Berlin. As fighters they have not hitherto distinguished themselves.

10. With such auxiliaries, Dr. Dolfuss's flank is likely to be exposed at some critical moment, and he must then certainly reckon on simultaneous

attack from his rear by part, at least, of the Socialists with whom his Heimwehr supporters have dealt so ruthlessly of late.

11. Moreover, the economic factor must enter, now more than ever, into Dr. Dollfuss's fight for survival.

12. It is true that, by eliminating Socialism, he, or Major Fey, has temporarily gained in popularity in the provinces, but, now that the Red octopus is no more, the peasant, shop-keeper and other middle-class supporters of this Government will expect alleviation of their high interest rates, taxes and other burdens, which they have for years been taught to impute to the blood-sucking and reckless expenditure of the Socialist capital of Austria. If the banks are to make both ends meet, it is certain that such alleviation cannot be appreciable; and, with the continuation of the German economic boycott, the disappointment and burdens of these classes must work against the Government.

13. At the moment, therefore, the outlook for the Chancellor is, it must frankly be admitted, not bright.

14. On the one hand stands Italy, reaching out, of necessity, a helping hand for her own eventual preservation, but demanding in return the imposition of a system of government which is likely in the long run to earn the Government the unpopular label of 'Italian' in an essentially Germanic country.

15. On the other hand stands the 'Brown' swastika, waiting its chance and using every subtle means to implement its doctrine and make good its contention that the majority of the population desires a Nazi form of government in Austria.

16. Dr. Dollfuss still believes he can preserve the independence of this country. If he is right, it is certain that his only chance is to show the people of this country without delay the advantages of independence, both from a political and an economic point of view, over subservience to or alliance with Germany. For this reason, I venture to express the opinion that the only chance of assisting Dr. Dollfuss to resist the pressure of his Heimwehr allies on the one hand and of his present German and Austrian Nazi opponents on the other lies in the support and material assistance which the French and British Governments may, without delay, be able to afford him, and the initiative in the political and economic sphere which they may be in a position to take, both in Rome and in Berlin, to bring the present Austro-German dispute to an end on conditions safeguarding the interests of the two Governments in Central Europe. By this course of action, and by this course of action alone, does it now seem likely that Great Britain and France, acting together, will be able to prevent Italy and Germany from either joining issue or coming to an agreement, as indicated in Vienna telegram No. 59 Saving<sup>2</sup> of the 24th August last, between themselves, upon the future of Austria on terms which would be unlikely to promote either Franco-British interests or the maintenance of the peace of Europe.

<sup>2</sup> See Volume V of this Series, No. 358.

17. I am sending a copy of this despatch to His Majesty's Ambassador at Berlin.

I have, &c.,  
W. SELBY

No. 301

*Sir E. Phipps (Berlin) to Sir J. Simon (Received February 26)*

*No. 198 [C 1299/29/18]*

BERLIN, February 20, 1934

Sir,

I have the honour to report that an official communiqué was issued on the 20th February stating that the Reichswehr is in future to wear the Nazi party badge on their steel helmets, caps and coats.

2. The communiqué states that, in order to give expression to the unity of the Reichswehr with the people and the State, the Reich President has issued a decree, on the suggestion of the Reichswehr Minister, ordering that the Nazi insignia should be introduced into the Reichswehr. The State cockade ('Landeskokarde') hitherto worn on the cap of the Reichswehr will in future be replaced by a silver swastika. In the case of the navy, both officers and men will wear a golden swastika above the Reich cockade. Steel helmets will be decorated on the right-hand side with a shield in black, white and red, and on the left-hand side with a swastika, white in the case of the army and golden yellow in the case of the navy. A swastika will also be worn on the uniform. The army will wear it embroidered in silver grey on the right breast of the coat or jacket, the navy in yellow gold at the level of their second coat button. The decorations are at present being prepared, and a special order will be issued as to the time of their introduction.

3. This measure is likely to cause even greater resentment among the army than the introduction at the end of last September of the Hitler salute for officers and men out of uniform or in the presence of the Chancellor. The disappearance of the State cockade, which has for so long been a distinctive feature of the German uniform, constitutes a breach with the past and is further evidence of the determination of the Government to realise the 'Einheitsstaat'.

4. The press point out that the order is evidence of the confidence of the Government in its strength. The manifest discipline of the army, says the 'D.A.Z.', has now rendered such a change possible. National Socialism has claimed the entire State as its own, and it is only right that the army should show, by wearing the insignia of the State which it defends, that it, too, is a solid section of the body politic. The abolition of the cockades of the various States, and their replacement by the swastika, is a sign that the unity of the Reich is manifested in the fighting forces as well as in the civil population. The swastika at the stern of the ships, on the caps and jackets

of the officers and men of the army and navy, will bear witness in the outside world to the spirit of the new Germany.

I have, &c.,

(For the Ambassador),

B. C. NEWTON

No. 302

*Sir E. Phipps (Berlin) to Sir J. Simon (Received February 21, 8.30 a.m.)*

*No. 77 Telegraphic [W 1792/1/98]*

BERLIN, February 21, 1934, 1.8 a.m.

Following from Mr. Eden:<sup>1</sup>—

Sir E. Phipps and I called on Baron von Neurath this morning<sup>2</sup> for a preliminary survey of the disarmament question and German reactions to United Kingdom memorandum. General von Blomberg and Herr von Bülow were present.

Von Neurath developed three main German criticisms of our memorandum, namely, provision for a ten years' convention, provision as regards air armaments and suggestion that Germany should return to the League.

I explained to him difficulties which French Ministers had put to me, more particularly their apprehensions in matter of para-military organisations.

I now hope that German Government will be prepared to make an effort to allay French apprehensions by making certain proposals in regard to character and activities of S.A. and S.S.

General von Blomberg was the most and Herr von Bülow least hopeful<sup>3</sup> of the three.

This afternoon Sir E. Phipps and I spent nearly two hours with the Chancellor. Baron von Neurath and General von Blomberg were present but did not speak. Chancellor spoke at great length but in a style that was unexpected[ly] and I believe unusually restrained. His attitude was friendly and an appeal based on war experiences found a ready response. He has simplicity of manner and a sense of humour.

Chancellor seemed well acquainted with his subject. He emphasized Germany's present defencelessness, her peaceful intentions and her demand for equality of rights.

He said that our proposal as regards air armaments would leave Germany defenceless for two years against formidable risk of air attack and that even if Germany were allowed aircraft at the end of two years it would take her another two years to build up her aircraft industry. This could not be called equality of rights. He was grateful for attempt we had made to meet German point of view but fact had to be faced that German industry could be destroyed in a few hours by air action from abroad. It was essential therefore that Germany should have defensive air armaments and were England in the same circumstances he was sure that our attitude would be the same.

<sup>1</sup> Mr. Eden arrived in Berlin on February 19.

<sup>2</sup> This telegram was drafted on February 20.

<sup>3</sup> In the confirmatory copy of the telegram received later by bag this word read 'helpful'.

Following are replies he gave to questions put to him in regard to Locarno, S.A. and S.S. and League of Nations. With reference to Locarno he emphatically declared that German Government would scrupulously and faithfully observe every treaty into which it had entered of its own free will. The world must not expect to obtain Germany's signature on all occasions but Germany's signature once given would be honoured.

As regards S.A. and S.S. he said that if a convention was concluded he was prepared to give guarantees for the future to the effect that these organisations would have no arms, no instruction in use of arms, take part in no manœuvres and undergo no training by officers of the army. As to this he was prepared to give his word. Moreover the fulfilment of these assurances would be subject to verification by a system of control and he had no doubt that such control could easily be made effective. He had never wanted and did not now want two parallel armies.

As regards the League he said the question of Germany's return could not be combined with question of a disarmament Convention. He would prefer to discuss this frankly with His Majesty's Government independently of latter's memorandum. Germany left League of Nations because she was not recognized as a Power having equality of rights. Once that equality had been established he would be prepared to treat with His Majesty's Government the question of Germany's return to the League. Certain reforms would, however, be necessary before the League could be of real use.

Summing up he said he doubted whether it was possible at this moment to reach a Convention because, as he reiterated, certain Powers were unwilling to disarm and because Governments in some countries were unstable. He was prepared however to accept the United Kingdom memorandum as a basis and to do his utmost to meet views of His Majesty's Government. Short of dissolving S.A. and S.S. he would do everything to prevent their having a military character. He would be prepared moreover to agree to France's retaining her offensive weapons for five years after which France would begin to abolish them. It was essential that Germany should be secured against attack from the air but he thought it would be possible to discuss this problem further. If His Majesty's Government increased their guarantees of security he would not regard this as an unfriendly act. He would recognize all obligations that Germany had undertaken of her own free will. Germany's return to the League was subject to solution of question of disarmament and above all of equality of rights.

I have limited this record to chief statements made by the Chancellor in this long interview. Full record<sup>4</sup> containing my questions and counter-arguments follow[s] by bag tomorrow.

Conversations will continue tomorrow after luncheon at His Majesty's Embassy which Chancellor will attend, but Chancellor's presence at luncheon should not be disclosed.

Repeated to Paris and Rome.

<sup>4</sup> See No. 304, Enclosure 2.

*Sir E. Phipps (Berlin) to Sir J. Simon (Received February 21, 8.30 p.m.)*  
*No. 78 Telegraphic: by telephone [W 1830/1/98]*

BERLIN, February 21, 1934

Following from Mr. Eden.

My telegram No. 77.<sup>1</sup>

The Chancellor lunched at the British Embassy today. Dr. Goebbels, Freiherr von Neurath and Herr Hess were also present.

After lunch the Chancellor and von Neurath remained behind for further discussion with Sir E. Phipps and myself. Interview lasted two hours. A full record of conversation will follow.<sup>2</sup> During the course of it the Chancellor put to me confidentially certain important proposals which if accepted would enable him to agree to United Kingdom memorandum.

1. Period of Convention to be maintained at ten years as desired by United Kingdom Government.

2. Germany to be entitled to possess from the beginning of the Convention short-range aircraft for defensive purposes (i.e. not including bombing aeroplanes) the maximum number of which is to be either (a) 30 per cent. of combined air forces of Germany's neighbours counting all types of military aircraft including bombers or (b) 50 per cent. of France's military aircraft whichever of these two figures is the less. Air enquiry to be held as proposed in United Kingdom memorandum. If abolition of all military and naval aircraft were to be agreed upon in consequence German Government would concur.

3. As compensation to heavily armed Powers no destruction of guns or tanks to take place during the first five years of the Convention. Destruction of guns and tanks provided for in United Kingdom memorandum to take place during the second five years of the Convention according to a programme to be laid down in the Convention.

4. As further assurance to the French Government he was willing to give the following undertaking with regard to S.A. and S.S.

- (1) They would possess no arms;
- (2) They would undergo no instruction in arms;
- (3) They would not be concentrated or trained in military camps;
- (4) They would not be commanded or instructed either directly or indirectly by officers of the regular army;
- (5) They would not be engaged in nor take part in any field exercises.

Character of these formations as above described would be verified by a systematic control from coming into force of Convention, such control to be applied to similar formations in other countries.

5. On the assumption that Germany would be granted 300,000 men

<sup>1</sup> See No. 302.

<sup>2</sup> See No. 305.

(upon which the Chancellor still insists) Germany would reduce her police force by 50,000 men. The Chancellor represented this as a very great concession and the Minister for Foreign Affairs was clearly uneasy about it.

The Chancellor asked that these proposals should not be put forward as coming from the German side or even disclosed as representing German point of view but that His Majesty's Government should themselves suggest them as proposals which experience of my tour would indicate as being likely to gain immediate acceptance by the several Powers. If this were done he could accept them at once and he thought that Italian Government would also be ready to accept them. He emphasised that they already represented a compromise from a German point of view as they fell far short of complete and practical equalization of rights. They attempted on the one hand to allay the French apprehension as to S.A. and S.S. and on the other hand to give Germany means of defence against air attack but not power of aggression. The disarmament of France would furthermore not begin until after the fifth year of the Convention instead of at the end of the first year while at the same time the desire of His Majesty's Government for concrete measures of disarmament, which I had emphasised to him, would be met by inclusion of a programme of destruction during the second five years of the Convention.

The Ambassador and I take the view that in being thus frank the Chancellor has taken us far into his confidence. The publication of these proposals in respect of S.A. and police as coming from the Chancellor might make serious difficulties for him here despite his strong position.

In the circumstances I would beg that this communication should be kept strictly confidential until I return. I do not propose to make its terms known either to the Italian or the French Governments, but only to tell them what difficulties the German Government sees in our memorandum without indicating solution they propose. I should be glad to know if you approve of this course.

I shall see the German Ministers again tomorrow morning and propose leaving for Rome Friday<sup>3</sup> morning.<sup>4</sup>

Not repeated.

<sup>3</sup> February 23.

<sup>4</sup> The Prime Minister minuted this telegram on February 22 as follows: 'We should not allow Germany to dump its confidences upon us in order to use us for its own policy. Hitler should know at once that his proposals in substance and in method of handling are unacceptable.'



No. 304

*Sir E. Phipps (Berlin) to Sir J. Simon (Received February 22)*

*No. 200 [W 1829/1/98]*

BERLIN, *February 21, 1934*

His Majesty's Ambassador at Berlin presents his compliments to His Majesty's Principal Secretary of State for Foreign Affairs, and, with reference to Berlin telegram No. 77<sup>1</sup>, has the honour to transmit to him the minutes of the Anglo-German conversations on the 20th February respecting disarmament.

<sup>1</sup> No. 302.

ENCLOSURE I IN NO. 304.

*Record of Meeting held at the Ministry for Foreign Affairs, Berlin, on  
February 20, 1934, at 11.30 a.m.<sup>1</sup>*

Present:

Freiherr von Neurath.  
Herr von Bülow.  
General von Blomberg.

Mr. Eden.  
Sir Eric Phipps.  
Mr. Strang.

Freiherr von Neurath said that he wished to assure Mr. Eden at the outset that the German Government were inspired by a real desire to reach agreement. It had, however, seemed to them that in their latest communication the French had made a step backward, even from their *aide-mémoire* of the 1st January. Could Mr. Eden tell him anything about the French attitude?

Mr. Eden said that the French Ministers had assured him, and had asked him to assure the German Government, that there had been no change in French policy since the new Government took office, and that the French Government were seriously desirous of reaching an agreement, as an understanding between France and Germany was essential to peace. One point upon which the French were seriously disturbed was that of the para-military formations. Indeed, this had been the only point upon which M. Doumergue had spoken. The French held that, so long as these organisations were in existence and were not taken into account, there could be no real parity between the French and German forces.

Freiherr von Neurath said that, as Mr. Eden knew, the Germans had offered to have the non-military character of these organisations verified by means of a system of control. But it was obvious that such a system of control could not be set up or operated so long as it was not known exactly what the term 'military training' meant.

<sup>1</sup> This record was made by the British representatives for the use of His Majesty's Government.

General von Blomberg said that the Chancellor was prepared to discuss the question of the rules which should govern the activities of these organisations.

Mr. Eden remarked that in the French view the character of these organisations should be determined before the convention actually came into force.

Freiherr von Neurath replied that this was also the German point of view. Perhaps a suitable definition could be found by the time Mr. Eden returned, if he came to Berlin on his way back from Rome.

Mr. Eden said that it would be useful if at an early stage some general assurance on the question, if not an exact definition, could be given. It was important that he should be able, before he left Berlin, to obtain a firm definition of the German attitude on this point.

Freiherr von Neurath then put the three main German objections to the United Kingdom memorandum.

The first of these was the provision for a ten-year period. This, he said, was too long. It was impossible to settle all disarmament problems in the first convention. The best plan would be to have a shorter convention, say, of six years, and after that a second convention providing for still further disarmament.

Mr. Eden explained that, in order to make it easier for the French to accept the very considerable measure of disarmament proposed in the memorandum, it had been thought essential to spread the disarmament over a longer period. This longer period had certain other technical advantages. Therefore, while it might be true that, if there should be general agreement that a shorter period was desirable, His Majesty's Government might not raise any insuperable objection, none the less the ten-year period was important.

General von Blomberg said that the effect of the United Kingdom proposals, so far as guns were concerned, was that very few large guns would be destroyed by the end of the first year and a quite moderate number of larger guns by the end of the fourth year. There were, however, thousands of guns between 155 and 220 mm. and the destruction of these was not to be complete until the end of the seventh year. Seven years was too long to wait.

Mr. Eden observed that the Germans had originally proposed that the French should keep all their present armaments. On this point the United Kingdom proposal was more favourable to the German Government than their own, in that there was to be some disarmament of France.

General von Blomberg, however, said that, if the period of the convention were five years, Germany could, at the expiration of that period, raise the question of what was to be done about the larger guns. As the British proposal stood, these guns were not to be destroyed until the end of seven years. He wondered whether it might not be possible to find some intermediate

proposal as regards the destruction of guns and tanks. The question of the ten-year period was, however, much more a question of politics than of technical details. It was impossible to foresee what might happen within ten years.

Mr. Eden observed that the French were being asked not only to destroy certain weapons, but to abandon the trial period. The ten-year period was designed to make it easier for them to accept these two proposals. He hoped therefore that this would not be a fundamental difficulty for the German Government.

Freiherr von Neurath then turned to the second objection, namely, the provision as regards aeroplanes. He said that the German proposal was that all bombing from the air should be abolished and that all types of military aircraft other than bombing aircraft should be allowed to all signatories of the convention. It had proved impossible in five years at Geneva to find a definition of aggressive aircraft. How could it be expected to find a definition in the two years now proposed?

Mr. Eden said that the real objective was, of course, the complete abolition of military aircraft. But, if this was the problem, the question of civil aviation was of immense importance.

General von Blomberg said that the only real solution would be to abolish all aviation, both civil and military, because any aeroplane could drop a bomb. He recalled that congresses had been held in the Middle Ages to consider the abolition of fire-arms, and, of course, had not succeeded.

Mr. Eden said that the air question was one of great concern to His Majesty's Government. Great Britain, as a terminal point rather than a transit route, could never have a great civil aviation; and, moreover, London was perhaps the most vulnerable of all capitals. In the circumstances, it did not seem unreasonable to ask that the Permanent Disarmament Commission should be given two years to seek to solve it.

General von Blomberg said that there were two possible means of solving the problem, namely, the complete abolition of bombing and the numerical limitation of all aircraft, civil and military.

Mr. Eden at this point remarked that the United Kingdom memorandum was more favourable to Germany on the air question than was the United Kingdom Draft Convention, because, according to the latter, Germany would not in practice possess aircraft at all for five years.

Freiherr von Neurath remarked that the German Government had never, in fact, accepted this proposal.

Herr von Bülow said that, under the air proposal of the United Kingdom memorandum, the German army would be deprived of its eyes for two years, and would thus lose 30 per cent. of its efficiency. This would happen at a time when the character of the army was undergoing a complete transformation. Germany would at the same time be defenceless against raiding

forces, since anti-aircraft guns were an inadequate defence. The only really effective means of defence was chaser [*sic*] aeroplanes.

Freiherr von Neurath pointed out that this would amount to open discrimination against Germany.

Mr. Eden said that he had no authority whatever to agree to any modification of the proposals in the United Kingdom memorandum; but it would be helpful to have any counter-proposals the German Government might wish to advance.

Freiherr von Neurath said that they were at the moment only exchanging views, but that they would try to let Mr. Eden know their views in more detail later.

General von Blomberg said that an important distinction was between observation aeroplanes carrying pilot and observer and chaser interceptor planes carrying pilot only.

Freiherr von Neurath suggested that a distinction might be drawn as regards (a) the load which machines could carry, and (b) their range.

Mr. Eden emphasised that he had no authority to agree to any modification of the memorandum.

Freiherr von Neurath then went on to say that the third objection related to the condition that Germany should return to the League of Nations. This was a question which should be separated entirely from the question of disarmament. Germany's return to the League depended upon quite other considerations, and in particular upon the reorganisation of that institution. The League must become an instrument of international politics instead of an instrument for the enforcement of the Treaty of Versailles, as it was at present. Until this could be secured, Germany could not return. She was in a better position to secure the reform of the League by remaining outside than by resuming active membership.

Mr. Eden admitted that Geneva might not always be an agreeable place for the German delegation. It was not always agreeable for the British delegation. But there was a vital need for an international clearing house such as the League supplied, and the League could not be complete without so important a European Power as Germany.

Herr von Bülow pointed out that His Majesty's Government did not impose the same condition upon the United States of America and the Union of Soviet Socialist Republics, who were not members of the League, or upon Japan, who, like Germany, had given notice of withdrawal. This was in effect a new form of discrimination against Germany.

Returning to the question of the ten-year period, Herr von Bülow said that he was convinced that the French would not accept the disarmament proposals of the United Kingdom memorandum, inadequate as they were. An adequate degree of disarmament would therefore be postponed for ten years, and this was an essential fault in the construction of the memorandum. It would be much better to fix five or six years as the period of the first

convention and to conclude a new convention after the first had expired. This was more or less what Signor Mussolini had proposed. If it was urged that the convention should have the same period as the pact of non-aggression, he could see no logic in this argument. Moreover, the new Disarmament Convention would fall to be negotiated at the same moment as the pacts of non-aggression expired—not a very favourable moment for such an operation.

Freiherr von Neurath at this point remarked that the French had more than once asked him whether the German Government stood by the Treaty of Locarno. He said that the German Government had never refused to recognise Locarno and that they continued to recognise it. It might be, however, that some purely technical revision of the Locarno instruments might be required when Germany had ceased to be a member of the League something under two years hence, in view of the fact that the Locarno instruments are based upon the Covenant.

Herr von Bülow repeated that it was only a question of technical adjustments, and that there had never been any question in the minds of the German Government as regards the substance of the Locarno treaties.

Mr. Eden said that he was very glad to hear this statement.

Continuing, Mr. Eden said that the proposal for a ten-year period was, as he had already explained, bound up with the proposals for disarmament in the United Kingdom memorandum. The French Government had never said that they would not disarm. If the German Government could accept the United Kingdom memorandum, it would be for the French to take it or leave it on their own responsibility. If, however, there was to be no disarmament, this would make a great difference to the views of His Majesty's Government. They could not contemplate a convention containing no disarmament. The proposal to stabilise armaments at their present level was not acceptable to them. It would not only be expensive for His Majesty's Government to rearm, but it would be disastrous from the point of view of world opinion. The ten-year period had been chosen in order to make it easier to secure disarmament even at this late stage in the proceedings. It was essential that the trend downwards in any convention should begin at once.

Herr von Bülow said that there was one point in the French memorandum of the 14th February which he did not understand. The memorandum said that equality of material could only follow the transformation of the German army and the absorption of the pre-military and para-military organisations in the regular effectives which the convention would limit. What was the French interest in making such a proposal? He could see no logic or sense in it.

Mr. Eden said that he presumed that it was a method of introducing the idea of the first period in another form. He would make it clear that this was not His Majesty's Government's proposal, and that on this point His Majesty's Government did not agree with the French Government. One

point which had remained in doubt was how the proposed new German army would be organised from the point of view of its formations. Would the divisions be the same size as those of the Reichswehr?

General von Blomberg said that as the new army of 300,000 men would be organised on the same basis as the Reichswehr, and would be three times as large as the Reichswehr, it would naturally have three times the number of divisions, i.e., twenty-one.

Herr von Bülow said that he found it hard to understand the objection of His Majesty's Government and the French Government to the figure of 300,000 men. This figure had been proposed at Versailles as the strength of the short-service German army, and the proposal had been strongly supported by the British military delegates. The fact that Austria, with one-tenth of Germany's population, had 30,000 men, would indicate the justice of the present German claim for 300,000 men.

Mr. Eden said that, leaving questions of detail and turning to the wider aspect, the question was what was now to be done. Did Freiherr von Neurath regard the United Kingdom memorandum as a possible basis of agreement?

Freiherr von Neurath suggested that after his visit to Rome he might ask the Germans what they thought.

Mr. Eden said that it would be better if he could obtain from the German Government during his present visit a firm statement of their attitude. It would be a great step forward if he could inform His Majesty's Government, and perhaps the French Government, that the German Government were willing to accept it as a basis.

Freiherr von Neurath said that perhaps an answer to this question might be forthcoming from the Chancellor at the meeting with him later in the day.

ENCLOSURE 2 IN No. 304.

*Record of a Meeting held in the Chancellor's Room, February 20, 1934,  
at 4.30 p.m.<sup>1</sup>*

Present:

Herr Hitler.  
Freiherr von Neurath.  
General von Blomberg.  
Herr Ribbentrop.  
Herr Thomsen.

Mr. Eden.  
Sir Eric Phipps.  
Mr. Strang.

Herr Hitler said that he was gratified that the British Government had sent one of its members on a visit to Berlin to discuss important questions of interest to both Governments.

<sup>1</sup> This record was made by the British representatives for the use of His Majesty's Government.

Mr. Eden explained that His Majesty's Government had asked the French, German and Italian Governments to receive him because they were deeply anxious as to the situation which would arise if it should prove impossible to reach a disarmament convention. The United Kingdom no less than other nations desired peace, and a disarmament convention would be the best way to secure it for a generation. All those who had themselves served in the war were anxious that there should not be another. Not one of them wished to repeat their experience, and they had a special responsibility to see that others did not suffer it. On this he was sure Herr Hitler agreed with him.

His Majesty's Government had therefore put forward their memorandum as a further attempt to bring the nations together. They were aware that there were points in it which would not be easily acceptable by other Governments, but they had felt justified in asking them to make the sacrifice of accepting the memorandum. Furthermore, if a convention were concluded, it would provide just the stimulus needed to promote international confidence and the revival of world trade. He hoped therefore that the German Government, having examined the memorandum, might be able to declare their acceptance of it, if other Governments were prepared to do the same, notwithstanding the sacrifices it might entail.

Herr Hitler said he believed it was essential to adopt a fundamental point of view on this question. Anything that was done must be in accordance with the great movement which had recently come into being in Germany. It was impossible for him to depart from the principle of equality of rights for all nations. He was happy to meet Mr. Eden, who as a former officer had, he was convinced, a better understanding of the situation than those who had made the German revolution in 1918. The two fundamental principles guiding the German Government were national honour and the maintenance of peace, and the German Government could speak for the whole German people, unlike some other Governments which derived their authority from parliamentary combinations. He was convinced that it would be a happy solution if peace could be guaranteed for a number of years by the conclusion of a convention. The German Government was confronted by grave economic and internal problems and their whole capacity was directed towards their solution. A convention could not be a durable guarantee of peace if all States were not in a position to defend themselves against a breach of the peace. Germany in her present defenceless state was a kind of vacuum, pressed upon by neighbours for whom she would be too easy a prey. In order that peace might be durable it was necessary that the risk of a breach of the peace should be too great for any nation to undertake it. Under the Peace Treaties Germany had differences with her neighbours, but these need not necessarily result in war. If the risk of attacking an unprotected adversary was small, the situation was dangerous, and this was the position of Germany at present. The existing differences between Germany and other Powers were not in his view so great as only to be solved by military means, though the rest of Europe seemed to think otherwise.

There was no possibility of peace so long as Germany was denied equality of rights and the means to defend herself. The precondition of an international guarantee must be the possibility of self-defence, and this was all that Germany had asked for.

He had studied the United Kingdom memorandum carefully, and the point which destroyed its value was the proposal as regards air armaments. Germany was defenceless in the air, and no international guarantee could preserve her against air action, which was sudden and immensely destructive in its application. He considered British aircraft to be the best in the world and it was not in Germany's interest to see British military aviation numerically inferior to the French. England was entitled to equality of rights also. Germany had no desire for aggressive weapons. She was in fact prepared to renounce all military aviation if other nations were prepared to do the same. There was no profit in spending money in building up new air armaments. He had come to the profound conviction that the highly armed States were not prepared to disarm. The French Government put the blame for this upon other shoulders, but he noted that various commissions of the Senate had declared that France ought not to disarm. Germany clearly had no interest in aggression. The question of Alsace-Lorraine was settled for good and all; the question of the Saar could wait till 1935, when it would find its solution. There was no point of conflict between Germany and Poland. He had held out the hand of friendship to Poland and was willing to do the same to France.

Equality of rights did not mean disturbing the balance of power, it meant restoring that balance. It could not be in England's interest for either France or Germany to seek territorial gains. England as well as Germany had felt the strain of the economic crisis and was therefore interested in the maintenance of the military balance of power. The war had taught Germany that it was easier to destroy than to build up, and this formerly militarist people now saw that peace ought to be the permanent state of mankind.

Mr. Eden said that His Majesty's Government fully appreciated the German point of view with regard to equality of rights and had done their best to give effect to it in their memorandum. He was well aware that there was one point in the memorandum which it was very difficult for Germany to accept, namely, the proposal in regard to air armaments. According to this proposal, if at the end of two years, military aviation had not been abolished, Germany would acquire equality of rights. It was not true to say that in the meantime Germany was defenceless. Great Britain had an obligation towards Germany, no less than towards France, under the Treaty of Locarno. He hoped the German Government would realise how far His Majesty's Government had gone to meet the German point of view. The problem was to reconcile the German demand for equality, regarded by them as a great people's birthright, with France's demand for security, which was founded upon fear and deepened by memory. He himself did not believe that any people in Europe today had chauvinistic tendencies.



But fear was a breeding ground for suspicion. The French Ministers had asked that he should make it clear that they were still anxious for agreement and that there had been no change in their policy. One of the points upon which the United Kingdom memorandum caused them greatest difficulty was that of the S.A. and S.S. It would greatly ease the situation if the German Government could give them certain assurances on this point or find some satisfactory criteria.

Herr Hitler said that the proposals as regards air armament in the United Kingdom memorandum were unacceptable because not only would Germany be defenceless for two years, but would require two years more in order to organise her air force, that is, four years in all. This could not be considered equality of rights. He did not believe that the heavily armed Powers were prepared to disarm. The possibility of disarmament could only be contemplated if two or three States were equally heavily armed, in which case they could decide either to disarm or to go on spending money. In any other conditions the idea of abolishing offensive weapons was hopeless. The French would certainly not disarm, because they had supremacy not only over Germany, but over other countries also. He was grateful for the attempt which His Majesty's Government had made to meet his views, but the brutal fact should be borne in mind that German industry could be destroyed by air attack in a few hours. All that Germany wanted was defensive weapons.

Mr. Eden said that he had no authority to vary the terms of the United Kingdom memorandum. His Majesty's Government were aware that their air proposals would cause difficulty, but it should be remembered that there were difficulties in the memorandum for everyone. If, however, there were concrete proposals which the Germans could put forward as regards air armaments, it would be helpful if he could be informed of them, so that he could give the information to His Majesty's Government. There were, however, other important points. It would assist if assurances could be given about the S.A. and S.S., as well as about Locarno.

Herr Hitler then declared that the German Government would scrupulously and faithfully observe every treaty into which it had entered of its own free will. The world must not expect to obtain Germany's signature on all occasions, but Germany's signature once given would be honoured.

If a convention were concluded, he was prepared to give guarantees for the future to the effect that the S.A. and S.S. would have no arms, receive no instruction in the use of arms, take no part in manœuvres and undergo no training by officers of the army. The fulfilment of these assurances would be subject to verification by a system of control, and he (unlike the French) had no doubt that such control could easily be made effective. The method adopted at Geneva of taking account of these organisations in the calculation of effectives was a bad method. If these forces were to be so counted, then it would be much better to train them as military units. There were only two possibilities: either the Chancellor's word must be taken (corroborated by a system of control), or the S.A. and S.S. would have to be

trained in a real military sense. He had never wanted, and did not now want, two parallel armies.

Mr. Eden observed that the difficulty of the S.A. and S.S. was not only technical but also psychological. The French were genuinely anxious. This might seem exaggerated to Herr Hitler. Perhaps the explanation was that the Germans were such good military material that when they put on uniform people at once began to be afraid.

Herr Hitler said that he doubted whether the Germans were such good military material as the French thought. The truth was that Germans were more prepared than other peoples to live a community life. They liked discipline and organisation. History had shown that they were more peaceful than their neighbours. The fact that 66 million people were concentrated upon a small area would contradict the allegation of a German policy of expansion. On the other hand, this discipline had had good effects. It had proved possible in Germany to suppress revolution without loss of life. This was not the case in Austria.

Mr. Eden said he also wished to raise the question of Germany's return to the League. As he had already tried to explain to Freiherr von Neurath, His Majesty's Government were anxious for Germany's collaboration in the League. He admitted that the situation at Geneva was sometimes irritating to a great Power. But the need for an international clearing house was very great, and complete collaboration was not possible without Germany. The suggestion had been made by His Majesty's Government in a spirit of sincere friendship, because they believed that the League was necessary to the world, and were themselves determined to do all in their power to support it.

Herr Hitler said that the question of Germany's return to the League could not be combined with the question of a disarmament convention. He would prefer to discuss this question directly with His Majesty's Government independently of the latter's memorandum. Germany left the League because she was not recognised as a Power having equality of rights. In his speech of the 17th May<sup>2</sup> he announced Germany's intention to withdraw from the League. It was quite intelligible that some Governments should disapprove of this step or fail to understand it. He would repeat that the men who were now governing Germany had nothing in common with those who had governed Germany since the war. Germany had the misfortune to be defeated after a tenacious resistance. He was convinced that any one of the ex-enemy Powers would not act in any other way. This was especially true of England. In future it would be impossible for Germany to participate in any agreement with another Power unless discrimination was abolished. It was her earnest wish to collaborate with other Powers, but this presupposed equality of rights. If such equality was re-established, he would be prepared to treat with His Majesty's Government the question of Germany's return to the League. Certain reforms would, however, be necessary before the League could be of real use.

<sup>2</sup> See Volume V of this Series, No. 153.

Mr. Eden said it was true that every human institution was capable of reform and that the League was no exception. He would suggest, however, that it would be easier and better for Germany to secure the reform of the League from within than from without.

Herr Hitler suggested that the best solution would be for the members of the League to agree to such reform before Germany returned.

Mr. Eden said that His Majesty's Government attached great importance to the early return of the German Government to the League. He added that it seemed to him from the two discussions he had had that day that there might perhaps be a basis for an agreement to be reached later.

Herr Hitler said that, if no understanding was possible now, it might perhaps be possible some months hence, when the situation was clearer. Unstable conditions in some countries were an obstacle to the conclusion of an agreement.

Summing up his remarks, he said that he was prepared to accept the United Kingdom memorandum as a basis and to do his utmost to meet the views of His Majesty's Government. Short of dissolving the S.A. and S.S. he would do everything to prevent their having a military character. He would be prepared to agree to France retaining her offensive weapons for five years, after which France would begin to abolish them. It was essential that Germany should be secured against attack from the air, but he thought it would be possible to discuss this problem further. If His Majesty's Government were to increase their guarantee of security to France he would not regard this as an unfriendly act. He would recognise all obligations which Germany had undertaken of her own free will. Germany's return to the League must be subject to the solution of the question of disarmament and, above all, of that of equality of rights. He was convinced that in similar circumstances England would have acted in the same way as Germany had done. He would assure Mr. Eden that Germany earnestly desired to reach a solution.

Mr. Eden emphasised that His Majesty's Government were anxious that some concrete result one way or the other should be reached very soon. They were gravely concerned at the present prospect. That was why they had made their present effort, and they would persist in it.

#### No. 305

*Sir E. Phipps (Berlin) to Sir J. Simon (Received February 23)*

*No. 203 [W 1901/198]*

BERLIN, February 22, 1934

His Majesty's Ambassador at Berlin presents his compliments to His Majesty's Principal Secretary of State for Foreign Affairs, and, with reference to Berlin despatch No. 200,<sup>1</sup> has the honour to transmit to him a record of a conversation on disarmament held at His Majesty's Embassy, Berlin, on the 21st February, 1934.

<sup>1</sup> No. 304.

*Record of a Conversation held at His Majesty's Embassy, Berlin, on the afternoon of  
February 21, 1934<sup>1</sup>*

Present:

Herr Hitler.  
Herr Hess.  
Freiherr von Neurath.  
Herr Thomsen.

Mr. Eden.  
Sir Eric Phipps.  
Mr. Strang.

Herr Hitler said that since the meeting on the previous day he had spoken to General von Blomberg and was now in a position to make more detailed proposals as to the para-military formations and aviation. He thought that an agreement might be reached on the following principles:—

If the period of the convention were fixed at ten years, he would be prepared to agree to postpone the destruction of French aggressive weapons until after the fifth year of the convention. Destruction would only begin after the fifth year. The date of such destruction by the French was not a matter of very great importance to the Germans.

As regards aviation, he must maintain his demand for defensive measures. If these were denied, all other concessions made to Germany were worthless, in that there was no guarantee against a rapid destructive air attack upon Germany, which in twenty-four hours could destroy German railways and factories. This demand was made without prejudice to any conclusions which might be reached later by the enquiry proposed in the British memorandum. The question of whether or not military aviation could or could not be abolished would be left completely open. He was prepared so to fix these measures of defence that France would be free from any menace. The number of Germany's defensive aircraft must be calculated in some proportion to the combined air forces of her neighbours. He emphasised that Russia must never be forgotten, because if Russia was not a menace today she would be a very formidable menace tomorrow. Demands which Germany might justly put forward on a military basis might not be politically feasible. Germany was prepared, however, to come to an agreement on the basis of practical possibilities. He proposed, therefore, to ask for 30 per cent. of the combined number of military aircraft possessed by Germany's neighbours. In view of the fact that France might see some danger in this demand, he was also prepared to agree that the numbers possessed by Germany should never exceed 50 per cent. of the numbers possessed by France.

Mr. Eden said that the Chancellor had referred to defensive aircraft. What did he mean by this term?

Herr Hitler replied that the military aircraft possessed by Germany would be short-range machines and would not, of course, include bombing

<sup>1</sup> This record was made by the British representatives for the use of His Majesty's Government.

machines. Germany must, of course, have anti-aircraft guns, though these were not an effective means of defence. This proposal would not create any aggressive force in Germany, but it was necessary to give the whole German nation a feeling of security.

As regards the S.A. and S.S. he was prepared to ensure their non-military character and it would be easy to verify this fact by a system of control. These formations would have the following characteristics:—

- (1) They would possess no arms.
- (2) They would receive no instruction in arms.
- (3) They would not be concentrated or trained in military camps.
- (4) They would not be, directly or indirectly, commanded or instructed by officers of the regular army.
- (5) They would not engage in or take part in field exercises.

Control over the character and activities of the S.A. and S.S. ought to be quite easy, much easier, for example, than verifying whether or not a factory was manufacturing machine guns. The operations of the S.A. and S.S. were carried on under the eyes of everyone. It would be more difficult to verify the execution of a numerical limitation of machine guns than to verify a complete prohibition of machine guns. If it was thought possible to control the numerical limitation of armaments, it should be very much easier to make certain that these formations were carrying no weapons at all. He himself was quite prepared to accept a system of control, but he doubted whether other countries, like Yugoslavia and Poland, would be prepared to do the same. As a matter of fact the control desired by the French in this matter would in practice prove superfluous. His own commonsense and political instinct would never allow him to sanction the creation of a second army in the State. Never, never! The lesson of history was that it was undesirable to allow such an army to come into being. It was still doubtful whether Mussolini had been wise in creating a Fascist militia. Perhaps they were useful at the present moment, but after Mussolini had gone it might well turn out that their creation had been a mistake. If, on the other hand, the assertion were maintained that the S.A. and S.S. have a military character, then they would have to be trained as military units.

Turning to another subject, he said that he saw the possibility of an agreement on the basis of a system of mutual treaties of guarantee, namely, the guarantee of all against one aggressor duly ascertained to be the aggressor. He could not understand why the French talked so much about French security. It was possible that they were worrying about their allies, but since the German-Polish agreement he could see no reason why the French should not readily grant Germany equality of rights. Possibly it was that the French saw the best guarantee of security in a Germany disarmed and defenceless. Such a state of affairs was historically impossible. A nation of 66 million people did not feel themselves inferior and could not be kept in a state of inferiority. If the supremacy of France could not be allowed to exist for ever, then other States must guarantee to defend France if attacked.

He had declared months ago that he would not object to a defensive alliance between the United Kingdom and France.

At this point the Chancellor went on to speak of the Saar. The record of this part of the conversation will be submitted separately.<sup>2</sup>

The Chancellor went on to say that, as he had no objection to other Powers making treaties of guarantee, he equally wished for a measure of security for Germany also. Tranquillity was necessary in order that the German Government could carry out the fifteen to twenty years' programme which it had before it. Mr. Eden would realise how the economic life of England could be jeopardised if her ports were open to bombardment and her Colonies to invasion and if she were under the threat of the application of sanctions. He could only assume that there was a deliberate intention to discriminate against Germany. In such conditions there was no possibility of economic progress. The Germans felt themselves to be defenceless victims of circumstances over which they had no control.

Mr. Eden remarked that it was the purpose of the United Kingdom memorandum to bring this state of affairs to an end.

Herr Hitler said that weak Governments like the present Government of France sought to improve their internal position by taking a strong line in foreign policy. Immediately the present French Government took office the French press took a new line towards Germany. This was one of the defects of parliamentary government as it existed in some countries.

Mr. Eden said he could not admit that this was an inevitable feature of all parliamentary government.

Herr Hitler replied that in England, of course, the situation was quite different, because there parliamentary government was a natural growth and founded on national tradition.

Mr. Eden said he would try to sum up the position as follows: The interest of His Majesty's Government in the disarmament question was twofold. They desired an agreement because an agreement would mean peace. They also desired disarmament. Disarmament might be difficult to achieve, but he could confidently say that His Majesty's Government would not wish to sign a convention which contained no disarmament.

Herr Hitler said that by his present proposal measures of disarmament were to be brought into effect during the second five years of a ten years' convention.

Mr. Eden observed that the point of view of His Majesty's Government had just been reinforced by a declaration by President Roosevelt,<sup>3</sup> in which the latter had said that he preferred the British to the Italian plan because

<sup>2</sup> Not printed. Herr Hitler referred to his proposal for a Franco-German agreement on the Saar, to be submitted to a plebiscite, but stated that as the French Government had rejected it the question would now have to be settled in accordance with the Treaty of Versailles.

<sup>3</sup> See No. 299.

the former contained some disarmament. Mr. Eden then gave the Chancellor the substance of President Roosevelt's statement.

Continuing, Mr. Eden said that, if he had grasped the Chancellor's proposal, it was that the French were to postpone their disarmament for five years, but that the programme of disarmament set out in the British memorandum was to be carried out in the second period of the convention. This point was important to His Majesty's Government. The Chancellor's second proposal, as he understood it, was that an air enquiry should be held as proposed in the United Kingdom memorandum, but that in the meantime the German Government wished to possess fighting aeroplanes of limited range on the scale stated by the Chancellor. He could not possibly pronounce upon these proposals, but could only submit them to His Majesty's Government. The Chancellor would realise the great difficulty which his proposal as regards air armaments would create.

Mr. Eden went on to say that it seemed to him personally, though on this point he had no instructions whatever from His Majesty's Government, that, if disarmament negotiations were to be carried on a stage further, it would be useful to bear in mind the possibility of a meeting between the heads of the Governments chiefly concerned. He put this idea forward in strict confidence, as he had not even mentioned it to the French.

Herr Hitler asked which were the States Mr. Eden had in mind.

Mr. Eden said that there should, if possible, be six or seven, though he had not considered the matter closely. He would suggest Germany, France, Italy, the United Kingdom, Poland, and, perhaps, one representative of the Little Entente.

Herr Hitler said that the principal States concerned were the four Western States. The United Kingdom and Italy might well agree to the German proposals, but he doubted very much whether the French would agree to any disarmament. Would Russia and Japan be prepared to become parties to a disarmament convention? He thought that, if agreement could be reached among the Four Powers as a first step, it would be possible to see whether other Powers could be brought in. If the four great Western Powers undertook to guarantee European peace, peace would be secured.

Mr. Eden said that the French would probably dislike any proposal for a meeting of representatives of only four States, because they might feel themselves isolated. In order to get the French to agree, it might be necessary to bring in the Poles and a representative of the Little Entente States. France would certainly not consider a meeting elsewhere than at Geneva, except with such additions.

It would be difficult to negotiate upon the Chancellor's suggestions by diplomatic correspondence, and that was why he had suggested the possibility of a meeting. He had no idea how His Majesty's Government would regard this suggestion, but in case they should concur in it he would like to know how it would appeal to the Chancellor.

Herr Hitler said that he feared that, if France had not taken up a definite

attitude before the meeting, the meeting would probably fail, as meetings at Geneva had failed in the past. French representatives always negotiated under pressure from their press and public opinion, and, in spite of good intentions, were unable to come to an agreement.

Mr. Eden asked what Herr Hitler then thought the next step should be. Matters could not be left to drift without initiative by any Government.

Herr Hitler thought that His Majesty's Government should now try to find out the views of the Italian Government. He thought it would be possible for a modified British proposal to secure the acceptance of two or three Powers, and this would be a starting-point for a general agreement. It was not necessary for His Majesty's Government to tell the world what he had proposed, but they might use his proposals as material for a new compromise. He would emphasise that what he had just put forward was, in itself, a compromise and did not represent complete practical equality of rights, but something very much less. His Majesty's Government might say that they had found serious apprehensions in France as regards the S.A. and S.S. and grave objection in Germany to the denial of aircraft for two years. The compromise would consist in Germany defining the characteristics of the S.A. and S.S. under the five heads which he had given, and the French agreeing to a modification of the proposal as regards air armaments. Moreover, the French would not begin to disarm until after the fifth year, though there would be disarmament after that time. The Germans could agree to such a convention immediately and so, he thought, would the Italians.

Mr. Eden observed that the five years' postponement of disarmament would be a big consideration for the French, but so also would the proposal that Germany should have aircraft at once, to which other Governments must be expected to have serious objection.

Herr Hitler observed that what the Germans would get would be only part of their equality of rights. What they had proposed represented the largest possible measure of security for France. They were anxious to put an end to the present state of animosity between the two countries. The Germans perhaps could even make a further concession, and a very great one, which the British Government might put in their new proposals, namely, that, in consideration for being granted 300,000 men, Germany would reduce her Green police force by 50,000.

Freiherr von Neurath seemed somewhat uneasy at this suggestion and asked Mr. Eden to keep it to himself. It should only be brought forward in the very last resort.

Mr. Eden said that he must think over Herr Hitler's suggestions very carefully. It might be said that the United Kingdom memorandum had been torn up and a new memorandum proposed.

Herr Hitler said that his proposals did not mean that the memorandum was torn up. They merely gave body to it by adding concrete details on several points.



Mr. Eden wondered how the situation should now be handled. In the first place, it was obvious that he must consult his Government, and put before them the modifications to the United Kingdom memorandum now proposed by the Chancellor. It was quite clear that these would have to be very carefully considered.

Freiherr von Neurath suggested that the best course might be to go straight home to London from Rome without stopping at Paris.

Mr. Eden pointed out, however, that the French Ministers had told him that they were not ready to give him a detailed view on the United Kingdom memorandum and had asked him to stop on his way back in order that they might do so. He would now at once make to His Majesty's Government a full report of what the Chancellor had said.

### No. 306

*Sir E. Phipps (Berlin) to Sir J. Simon (Received February 23)*

*No. 205 [W 1902/1/98]*

BERLIN, February 22, 1934

His Majesty's Ambassador at Berlin presents his compliments to His Majesty's Secretary of State for Foreign Affairs, and, with reference to Berlin despatch No. 203<sup>1</sup>, has the honour to transmit to him the record of a conversation on disarmament held in Berlin, 22nd February, 1934.

<sup>1</sup> No. 305.

### ENCLOSURE IN No. 306.

*Record of a Conversation held at the Ministry for Foreign Affairs, Berlin, on February 22, 1934, at 10.30 a.m.<sup>1</sup>*

### Present:

Freiherr von Neurath.  
Herr von Bülow.  
Herr Frohwein.

Mr. Eden.  
Sir Eric Phipps.  
Mr. Strang.

Mr. Eden said that he had reported the result of the previous day's conversations to His Majesty's Government as follows: The German Government were ready to accept the United Kingdom memorandum as a basis, subject to certain important modifications. The German Government found it impossible to wait two years for military aircraft. The German Government wished to possess a defensive air force of short-range machines from the beginning and throughout the period of the convention, the numerical strength of such air force to be 30 per cent. of the combined air forces of Germany's neighbours or 50 per cent. of the metropolitan air forces of

<sup>1</sup> This record was made by the British representatives for the use of His Majesty's Government.

France, whichever figure was the less. This was without prejudice to the result of the air enquiry referred to in the United Kingdom memorandum, which would be held as there proposed. As a counterpart to this request the German Government would be prepared to agree to the institution of the new regulations mentioned by the Chancellor to ensure the non-military character of the S.A. and S.S., such character to be verified by a system of supervision. They were also prepared to postpone disarmament until the end of the fifth year of the convention, the measure of disarmament laid down in the United Kingdom memorandum to be carried out during the second five years of the convention. The other proposals made in the United Kingdom memorandum, which would be unaffected by these modifications, would of course stand, such, for example, as supervision.

Freiherr von Neurath agreed that Mr. Eden's statement of the German position was correct.

Sir Eric Phipps recalled that the Chancellor had also offered, as a great concession, to reduce the Green police by 50,000 men if Germany were granted an army of 300,000.

Freiherr von Neurath agreed that this was so. He had not himself known that the Chancellor was going to make this proposal, but he would ask that it should only be put forward as a last concession.

Continuing, Freiherr von Neurath said that he had one further question to raise. The German Government had received the French reply of the 14th February, and had had their answer ready before Mr. Eden's arrival. An answer would have to be sent, but they thought it better not to send it at present. If Mr. Eden could inform him of the results of his forthcoming visit to Paris, the German Government might be able to change the terms or tone of their reply. He had informed the French Ambassador that the reply was being held up.

Mr. Eden said that he would do his best to help Freiherr von Neurath in this matter. He agreed that a further exchange of notes would not assist while he was himself visiting the capitals concerned.

It was subsequently agreed to issue the annexed communiqué to the press.

### *Communiqué*

*February 22, 1934*

The conversations between the German Government and Mr. Eden, the Lord Privy Seal, on the subject of disarmament were concluded today. In the course of his stay in Berlin, Mr. Eden had two long talks with the Chancellor of the Reich, as well as several interviews with the Minister for Foreign Affairs. The conversations were conducted in a frank and friendly spirit, and have shown that both Governments are animated by a desire to arrive at a general agreement on this subject as soon as possible.

Although it was no part of the object of the conversations to reach a definite agreement as to the contents of a disarmament convention, the joint

exploration of the question which has taken place has helped each party to a full understanding of the other's point of view. It is therefore felt that, in spite of the difficulties which still stand in the way of the conclusion of a disarmament convention, some progress has been made.

No. 307

*Sir E. Phipps (Berlin) to Sir J. Simon (Received February 23, 11.0 a.m.)*

*No. 82 Telegraphic: by telephone [W 1876/1/98]*

BERLIN, February 23, 1934

Comment in the German press this morning follows closely on the lines laid down in my telegram No. 40 Saving.<sup>1</sup>

At the request of Baron Neurath Mr. Eden received a few members of the German press last evening. His remarks which were prepared beforehand were non-committal. The discussions, he said, had proved both valuable and constructive though considerable difficulties still existed regarding certain questions such as aviation.

The 'Deutsche Allgemeine Zeitung' this morning alone quotes Mr. Eden as saying that his experiences in Paris had made him somewhat pessimistic. As the press reports a certain uneasiness in Paris regarding the prolonged conversations here I have arranged with the German Government to contradict the 'Deutsche Allgemeine Zeitung' in a short official communiqué which will conclude with the words:

'No statements other than those in the official communiqué have any foundation.'

I have also informed the French Ambassador.

Repeated to Paris and Rome.

<sup>1</sup> Not printed. This telegram of February 22 reported comments in the 'Deutsche Diplomatisch-Politische Korrespondenz', which claimed that Germany's aim was merely the attainment of an elementary degree of security and equality, and that her programme contained nothing which could hold up disarmament.

No. 308

*Sir J. Simon to Sir E. Phipps (Berlin)*

*No. 51 Telegraphic [W 1913/1/98]*

FOREIGN OFFICE, February 23, 1934, 1.20 p.m.

1. Your telegram No. 78<sup>1</sup> puts us in a position of great embarrassment. The proposals contained in it are such as we could not possibly ourselves put forward and sponsor. We do not indeed desire at all ourselves to undertake the revision of our own proposals (which, as you are aware, have already been criticised in many quarters here as going too far in the German

<sup>1</sup> No. 303.

direction). Such a step on our part would be both unpalatable and tactically unwise.

2. Apart from that, and without at this stage going deeply into detail on which I will consult my colleagues and instruct you more fully on Monday,<sup>2</sup> it would manifestly be not only unwise but hopeless for His Majesty's Government to put forward a suggestion that Germany should begin at once with a fleet of 1,000 aeroplanes.<sup>3</sup> Such a suggestion would raise the loudest outcry in France and lead immediately to a vast increase in our own strength. His Majesty's Government themselves could not moreover consider a proposal which would destroy the whole character of their draft, entailing a rearmament race rather than disarmament and a rejection of our proposal by our own people.

3. The immediate object of this telegram is however less to enter at once into a discussion of substance than to draw attention to the grave difficulties and objections which we see in regard to the suggested procedure. Mr. Eden is by now on his way to Rome: he will be returning via Paris. At both these capitals he will be questioned on the results of his visit to Berlin. If we followed the lines now suggested, he would have to reply in a completely misleading manner, and conceal the most important proposal which had been made to him. This position would be untenable, and unacceptable to us. (Apart from the objections described in paragraph 1 of this telegram, such a course would certainly result in driving a wedge between us and France and very possibly between us and Italy. This comment is of course for your own information only.)

4. In all these circumstances we feel that the initiative and responsibility in the matter of new proposals must necessarily and rightly come from and rest upon those who make them. And since the Chancellor has made these proposals, and they can neither be concealed nor denied for long in any case, we feel most strongly that the Chancellor should either himself make his proposals openly and officially, or that His Majesty's Government should be free to communicate them to the Italian and French Governments as coming not from His Majesty's Government but from the German Government.

Repeated to Rome (for Mr. Eden).

<sup>2</sup> February 26.

<sup>3</sup> See No. 311.

#### No. 309

*Sir J. Simon to Sir E. Phipps (Berlin)*

*No. 52 Telegraphic [W 1830/1/98]*

FOREIGN OFFICE, *February 23, 1934, 4.30 p.m.*

Your telegrams Nos. 79<sup>1</sup> and 80<sup>2</sup>, and my telegram No. 51<sup>3</sup> repeated to Rome. Following from Sir R. Vansittart.

<sup>1</sup> Not printed. This telegram of February 22 reported comments, which had appeared in the 'Völkischer Beobachter' of that day, on Mr. Eden's conversations in Berlin.

<sup>2</sup> Not printed. This telegram of February 22 reported further German press comments.

<sup>3</sup> No. 308.

While our own newspapers are necessarily being given no information by us the press everywhere is being filled with German propaganda wrongly asserting that France is wrecking the prospects of the British memorandum by refusing all disarmament, while Germany is represented as making the most helpful contributions. This premature and misleading publicity is another reason why we cannot avoid frankness with the Italian and French Governments, unless the German Government will itself take the lead in that direction.

Repeated to Rome.

**No. 310**

*Sir J. Simon to Sir E. Phipps (Berlin)*

*No. 53 Telegraphic [W 1830/1/98]*

FOREIGN OFFICE, *February 23, 1934, 4.30 p.m.*

My telegram No. 52.<sup>1</sup>

Following from Sir R. Vansittart.

In any consideration of a German claim to possess a military air force at once you will of course bear in mind the sixth sentence of paragraph 15 of British memorandum on disarmament of January 29 which begins:

'In their view it would be prejudicial'.

Repeated to Rome.

<sup>1</sup> No. 309.

**No. 311**

*Sir J. Simon to Sir E. Phipps (Berlin)*

*No. 54 Telegraphic [W 1830/1/98]*

FOREIGN OFFICE, *February 23, 1934, 4.45 p.m.*

My telegram No. 51<sup>1</sup>, repeated to Rome.

Following from Sir R. Vansittart.

We have taken 1,000 as approximately the number of military aircraft claimed by Germany at once on a calculation based on either of the two alternatives given by Hitler. We have taken the figures for France, Czechoslovakia, Poland and Belgium published in the League of Nations Armaments Year Book, namely 1,605 for France, 546 for Czechoslovakia, 700 for Poland and 195 for Belgium. On such a basis 30 per cent. would give Germany 913. As you have yourself pointed out in your telegram No. 39 Saving,<sup>2</sup> Göring in his interview with the 'Daily Mail' raises this figure to from 30 per cent. to 40 per cent.

Repeated to Rome.

<sup>1</sup> No. 308.

<sup>2</sup> Not printed. The reference is to an interview with Mr. Ward Price, published in the 'Daily Mail' of February 20.

## No. 312

*Sir E. Phipps (Berlin) to Sir J. Simon (Received February 23, 9.25 p.m.)*  
*No. 83 Telegraphic [W 1930/1/98]*

BERLIN, February 23, 1934, 8.57 p.m.

Your telegram No. 51<sup>1</sup>.

Proposals which the Chancellor suggested our putting forward as a compromise by His Majesty's Government after Mr. Eden's tour only referred to those contained in paragraphs 4 and 5 of my telegram No. 78<sup>2</sup> viz. to conditions proving non-military character of S.A. and S.S. and to a reduction of German police force. Reason for this is clear for it would naturally place the Chancellor in an awkward position himself to suggest such conditions by [*sic*] Germany.

The Chancellor's suggestion regarding aviation can of course be communicated by Mr. Eden to Italian and French Governments as coming from German side. It is moreover not a new one for Chancellor had already made it to me (see my telegram No. 274<sup>3</sup> of December 5) only difference being that his figure on that occasion was 25 per cent. instead of 30 per cent. as now.

I have consulted Minister for Foreign Affairs however and he now says he has no objection to *all* the above proposals viz. S.A. and S.S. police force reduction and aviation being communicated confidentially to the two Governments by Mr. Eden as German proposals.

Repeated to Rome for Mr. Eden.

<sup>1</sup> No. 308.

<sup>2</sup> No. 303.

<sup>3</sup> No. 97.

## No. 313

*Memorandum on Present State of Illegal German Air Force*

[C 1310/31/18]

FOREIGN OFFICE, February 23, 1934

Our information concerning the present state of the illegal German air force is in its essentials contained in the following papers:—

- (1) Air Ministry's letter of the 20th March, 1933.<sup>1</sup>
- (2) Annex I to Foreign Office memorandum of the 14th July, 1933, respecting German rearmament.<sup>2</sup>
- (3) French dossier of the 4th August, 1933.<sup>3</sup>
- (4) The Air Ministry's comments of the 8th December on the French dossier (Annex I).
- (5) The air section of the Berlin annual report for 1933 (Annex II).
- (6) The Air Ministry's memorandum of the 15th February, 1934 (Annex III).

2. According to the Air Ministry's letter of March 1933, supplemented

<sup>1</sup> Not printed.

<sup>2</sup> See Volume V of this Series, No. 253.

<sup>3</sup> Not printed.

by Foreign Office memorandum of July last, the position last summer, generally speaking, was that a mass of secret information and some public reports indicated the manufacture and use of prohibited aircraft and war material; a civil aviation organisation and air training facilities considerably in excess of normal development; the granting of illegal subsidies for aviation on a considerable scale; the intimate connexion of the German Ministry of Defence with the development of German aviation, and the illegal training in aviation on a considerable scale of military and naval personnel, both in Germany and in Russia. The Air Ministry estimated the strength of the high-power aircraft in existence and under construction in Germany and suitable for military purposes at 127.

3. The air section of the Berlin annual report for 1933 states that the past year has seen far-reaching changes in German aviation. German air transport now occupies the first position in Europe and the second in the world. The establishment of an air commissariat under Göring at the beginning of 1933 was followed a few months later by its replacement by an Air Ministry of considerable proportions. It has become increasingly difficult to obtain information respecting air development in Germany; there is reason to believe that the German Air Ministry is organised on similar lines to our own; whilst in place of the active service personnel in other countries, Germany has an Air Sport Association whose members wear blue grey uniforms. This association embraces everybody and every organisation concerned with flying, and it is under the protection of the State, like the S.A., and is an integral part of the National Socialist party. (N.B.—The Air Ministry estimate that during 1933 approximately 500 new pilots completed their training course under the Air Sport Association and they expect that this figure will be doubled in 1934.) Military and naval officers are, as far as possible, required to take up flying courses. We have unimpeachable evidence, owing to a recent accident in Czechoslovakia, that the German police are required to do the same. The German aircraft industry has orders for some time ahead; but the performances of the service aircraft, which it has so far produced, do not seem to have been very satisfactory, so for some time to come the Government will have to look abroad for equipment of this new air force. (N.B.—The Air Ministry's view is that though the performances of these aircraft have until lately hardly been up to the performance of our own latest types, they are, in the near future, likely to equal them.)

4. The Air Ministry's memorandum of the 15th February estimates the strength of German aircraft of a military type in existence or under construction at the beginning of February 1934 at 338, as compared with 127 a year earlier. (N.B.—In addition, the Air Ministry state that there are in Germany 1,349 civil aeroplanes registered, of which 250 are capable of immediate military use. The Air Ministry have reason to believe that the present rate of output is about sixty complete aircraft a month, which could be expanded within six months to over ten times that amount.) A report, as yet unconfirmed, states that 300 three-engined aircraft have been ordered by the German Air Ministry.

5. In summarising the changes in the air situation of Germany during the past year, our Air Attaché in Berlin states that 'it is no exaggeration to describe them as fundamental; every section of aviation has become a hive of energy, something very like a war spirit appears to have found its way into all things in any way connected with the air, and all changes are now carried out and new schemes started without a whisper of criticism. There is no doubt that the year has brought a remarkable accession of strength to Germany's potential air power, the *moral* of all those connected with the air has improved out of all recognition, the aeronautical industry's production has increased substantially, and a certain purposefulness is now evident that was formerly lacking.'

#### ANNEX I TO NO. 313

#### *Comments by the Air Ministry on the French Statement on Infringement of the Treaty of Versailles and Paris Air Agreement*

#### VI.—Aviation

<i>Serial No.</i>	<i>Detail of infringement extracted from French statement</i>	<i>Whether information in possession of the Air Ministry confirms French statement</i>
64	The German Government, the Governments of the Constituent States ('Länder') and the communal administrations grant subsidies to organisations, societies and individuals who devote themselves to amateur aviation (violation of Article 4 of the Paris agreements). These subsidies, according to the case, are permanent, occasional, direct or indirect.	The Air Ministry agrees that subsidies are granted to amateur aviation, but is of the opinion that these subsidies are granted in such a way that it would be extremely difficult to prove violation of the Paris Air Agreement.
65	The Nationalist associations (S.A., S.S., Stahlhelm) since 1932 have established air organisations, members of which undergo training which is to some extent military (in particular, training of flying machine-gunners) (violation of Article 177 of the Treaty of Versailles and of Article 5 of the Paris Agreement).	The Air Ministry agrees that illegal flying training is carried out by the Nationalist flying associations.
66	The Government of the Reich have united all the amateur aviation organisations in one single group of a military character, directly under the new Air Ministry (violation of Article 5 of the Paris agreements).	The Air Ministry agrees, but is inclined to the opinion that the available evidence regarding the military character of the group in question is inconclusive.
67	The number of transport pilots trained annually is out of proportion to the normal requirements of German commercial aviation (violation of Article 2 of the Paris agreements).	The Air Ministry agrees with this statement, but is of the opinion that it would be impossible to arrive at a figure which could be termed the 'normal requirements' of civil aviation.
68	The Reich army displays an illicit activity in aviation (violation of Article 5 of the Paris agreements).	The Air Ministry agrees.



<i>Serial No.</i>	<i>Detail of infringement extracted from French statement</i>	<i>Whether information in possession of the Air Ministry confirms French statement</i>
69	Instruction in sailing flight is carried on openly in the Reich army.	The Air Ministry agrees with this statement.
70	The number of pilots trained during 1932 exceeds the number authorised.	If this refers, as the Air Ministry presumes it does, to the training of members of the army and navy, then the Air Ministry agrees.
71	Officers of the Reich army practise on State-owned aircraft.	The Air Ministry agrees.
72	The police have established a State school for the instruction and training of their officers (violation of Annex II of the Paris agreements).	The Air Ministry has no information regarding the establishment of this school.
73	Germany constructs aircraft equipped to receive engines of war (violation of Article 2).	The Air Ministry agrees.
74	Germany makes arrangements for the control, at any rate abroad, of the military versions of her machines. This control is carried out by the officials of the State Technical Service (violation of Article 1 of the Paris agreements).	The Air Ministry agrees with the first part of this statement, but has no information regarding the control mentioned in the second sentence.
75	Germany imports <i>military</i> aeroplanes from abroad (violation of Article 1 of the Paris agreements).	The Air Ministry has no knowledge of this.
76	In contravention of the Paris agreements, the Reich and the Constituent States have undertaken the reconstruction of flying grounds which were closed, or the construction of new aerodromes in the demilitarised zone.	The Air Ministry has no definite information regarding this subject.

## ANNEX II TO No. 313

### *Extract from Annual Report on Germany for 1933*

#### VIII.—AVIATION

290. The past year has seen far-reaching changes in German aviation. Willingness, and even eagerness, to help any activity connected with flying had been assured for many years past by a press campaign emphasising Germany's helplessness in the air as the result of the peace treaty, and this propaganda made possible the quick expansion of air transport until it occupied the first position in Europe and the second in the world. The number of amateur pilots trained each year bore no relation to the number who would be able to afford to pay for their own future flying practice, and in the State-subsidised schools for training air transport pilots the annual output was also invariably many hundreds per cent. in excess of the numbers who could be absorbed by the air line companies. The aircraft industry had, however, been unable to keep abreast of the progress made in aeroplane

design abroad, although it was kept alive by the receipt of orders for more aircraft on air line companies' account than were actually required in Germany, and substantial orders from both foreign and home users enabled the aero-engine branch of the industry to maintain its position in spite of the conservative types it produced. The reason for the failure of the industry to keep up to date is probably to be sought in the divided counsels of those who could have assured its progress. In the interests of security, for example, the Ministry of Defence gave considerable support to every branch of aeronautics in spite of the ban imposed by the peace treaty, but the Left political parties gave sufficient publicity to these activities to embarrass the work of the Defence Ministry. The parties of the Left also neglected no opportunity of criticising Government expenditure on air items, and their questions were a continual source of embarrassment to those responsible for air expenditure.

291. Up to the beginning of 1933 the Air Section of the Ministry of Transport was the Government Department officially responsible for the conduct of all German aeronautical activity, but there is every reason to suppose that the Ministry of Defence was almost invariably consulted and was, in fact, the actual directing authority. This arrangement was unsatisfactory in many ways. It was complicated and slow, it did not obtain the results that might reasonably be expected from the amount of money spent, and, finally, it failed, probably owing more to the parliamentary system than to any intrinsic disability, in its chief purpose, namely, that of providing Germany with some appreciable air defence.

292. One of the first acts of the new National Socialist Government was therefore to create in the beginning of 1933 an Air Commissariat under Captain Göring independent of the Ministry of Transport; in a short time, however, it became apparent that the country's air interests would require stronger support than a Commissariat could afford them, and the Commissariat gave place in April to an Air Ministry of considerable proportions which was housed in a large separate building.

293. The National Socialist movement had an ideal sphere in aeronautics for applying their policy of rationalisation and unification of effort, and included in this new Ministry there are now collected the former Civil Air Department of the Ministry of Transport, the Air Section of the Ministry of Defence and those scattered heads of the Air Defence organisation which were previously spread out among the Ministry of the Interior, the Police and the Ministry of Defence.

294. Since the summer of 1931 Air Attachés accredited to Germany and other foreigners had been unable to visit certain aircraft factories and to acquire more than a minimum of information on air developments generally, while the press printed so little of interest as to suggest that some reason probably existed for the censorship that was apparently in force; moreover, the conversations of those in any way connected with aviation gave the impression that active air defence was receiving considerable attention. It happened, however, that the British Air Attaché had been the recipient of rather more air information during the Social Democratic régime than had

been released to the other Air Attachés in Berlin, and during the month of June certain facts, of which he was already aware, were admitted to him by German officials so unreservedly as to suggest that it might be desired to ascertain how far His Majesty's Government in the United Kingdom were prepared to connive at German rearmament in the air. About the same time a raid of aeroplanes alleged to have dropped communistic propaganda in Berlin took place in such mysterious circumstances as to justify the suspicion that the so-called foreign raiders were actually German aeroplanes, or at any rate were executing the raid at German official instigation. The raid was made the pretext for vociferous complaints of German defencelessness in the air and for demands that this state of affairs should be remedied, at least to the extent that police aircraft should be allowed. When, in July, the German Air Minister asked the Air Attaché to convey to His Majesty's Government his desire to purchase twenty-five to fifty aircraft in the United Kingdom for police purposes, His Majesty's Chargé d'Affaires was instructed to draw the attention of the German Government to these different statements, and to request an assurance that His Majesty's Government were correct in assuming that they were in no way intended to suggest an intention on the part of the German Government to establish an air force in disregard of Article 198 of the Versailles Treaty and of the Paris Air Agreement of 1926. These representations were much resented by the German Government, who took the line that no German officials could ever have made the statements attributed to them by His Majesty's Government, and decided to hold no further communication with the Air Attaché.

295. Information received tends to show that the Luftfahrtministerium is organised on the same lines as the Air Ministry in London. The transfer of the Reichswehrministerium's Air Section has supplied the nucleus of a service side, whilst in place of the active service air personnel of other countries there are the Air Sport Association ('Luftsportverband') members, who wear a blue-grey uniform that closely resembles that of the Royal Air Force and the Italian Air Force in colour and cut. This association embraces every body or organisation concerning itself with flying of any sort other than commercial aviation, and it is under the protection of the State to the same degree as are the S.S., S.A. and Stahlhelm organisations; it is an integral part of the National Socialist party, and, as an example of its close association, it has been stipulated that eventually every candidate for any category of flying instruction must have completed a specified amount of service in the Hitler Youth movement and certain pre-flying training courses.

296. It has become clear that the idea of providing the army and the navy each with its own flying service has been abandoned in favour of a separate air service, and while details of this new service are not, of course, known, if indeed they have yet been definitely decided upon, the general structure seems likely to follow that of the Royal Air Force, with the difference that the Luftsportverband will be responsible for pre-service training, will assure a nearly unlimited supply of semi-trained recruits and cadets, and will also provide facilities for reservists' training.

297. The German aircraft industry has received very substantially increased orders under the National Socialist régime, and is now able to look forward to regular work for some time to come, but, as has already been stated, the performances of the service aircraft that it has so far produced appear to have been below the standards of performance of similar types abroad, and service types of aero-engines still appear to be below the average of foreign engine efficiency; it may therefore be anticipated that the Government will turn its eyes abroad at first for some, at any rate, of the flying equipment of its new air force.

298. In summarising the changes in the air situation of Germany during the past year, it is no exaggeration to describe them as fundamental, the former cleavages, though never important, have now closed, every section of aviation has become a hive of energy, something very like a war spirit appears to have found its way into all those in any way connected with the air, and changes are now carried out and new schemes started without a whisper of criticism. There is no doubt that the year has brought a remarkable accession of strength to Germany's potential air power, the *moral* of all those connected with the air has improved out of all recognition, the aeronautical industry's production has increased very substantially, and a certain purposefulness is now evident that was formerly lacking.

### ANNEX III TO No. 313

#### *German Aircraft having the Characteristics of Modern Military Aeroplanes*

AIR MINISTRY, *February 15, 1934*

The following is a list of German aircraft having the characteristics of the military types shown which, according to information available, are in existence or under construction on the 1st February, 1934:

(A) *In Existence—*

167 fighters.  
67 bombers.  
42 G.P. or reconnaissance.

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276

(B) *Under Construction—*

41 fighters.  
21 bombers.  
... G.P. or reconnaissance.

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62

A report, as yet unconfirmed, has been received which states that 300 JU. 52's (3-engined aircraft) have been ordered by the German Air Ministry.

No. 314

*Sir E. Phipps (Berlin) to Sir J. Simon (Received February 24, 9.35 a.m.)*

*No. 84 Telegraphic: by telephone [W 1940/1/98]*

BERLIN, February 24, 1934

Your telegram No. 53.<sup>1</sup>

Following for Sir R. Vansittart:

Mr. Eden certainly bore in mind that sentence throughout his discussions here and indeed referred to it. Such considerations, however, have no effect on Germans who are firmly convinced that there is not the slightest chance of military and naval aircraft being abolished.

It is notorious that Germans have already got large numbers (between 400–500 perhaps) of defensive military aeroplanes and, convention or no convention, they mean to use them (see my telegram No. 15 Saving<sup>2</sup> January 22).

Moreover Baron von Neurath indicated to Mr. Eden that if after two years bombing machines were not generally abolished Germany claimed right to build them too. This was confirmed to me last night by General von Blomberg. He claims that Germany, having been granted 'Gleichberechtigung', is showing great moderation in demanding only 50 per cent. of French air force.

Eventual German claim to bombers would be in the same proportion as in respect of defensive aeroplanes.

Repeated to Rome.

<sup>1</sup> No. 310.

<sup>2</sup> No. 195.

No. 315

*Sir E. Phipps (Berlin) to Sir J. Simon (Received February 24, 9.45 a.m.)*

*No. 85 Telegraphic: by telephone [W 1941/1/98]*

BERLIN, February 24, 1934

Following for Sir R. Vansittart.

German demand is as follows:

30 per cent. of defensive military aeroplanes possessed by her four neighbours.

If however that percentage should be more than half defensive military aeroplanes in possession of France then Germany would only claim 50 per cent. of such French aeroplanes.

This was confirmed to me last night by General von Blomberg.

General Göring's utterances in the 'Daily Mail'<sup>1</sup> do not affect this.

Repeated to Rome.

<sup>1</sup> See No. 311.

No. 316

*Sir E. Drummond (Rome) to Sir J. Simon (Received February 24, 9.20 p.m.)*  
*No. 76 Telegraphic [W 1947/1/98]*

ROME, February 24, 1934, 6.40 p.m.

Your telegram No. 73.<sup>1</sup>

Following from Mr. Eden.<sup>2</sup>

1. I regret that my report of Herr Hitler's proposals contained in Sir E. Phipps telegram No. 78<sup>3</sup> should have put you in a position of great embarrassment. I have at no time suggested that his proposals should now be sponsored by ourselves, still less, of course, did I give Herr Hitler any encouragement to think that we could accept them. I was instructed to make enquiries as to the attitude of German Government to our memorandum; Herr Hitler's proposals are their reply.

2. These proposals are however, as I feel sure you will appreciate, in two respects more favourable to France than our own memorandum namely in respect of the S.A. and the S.S. where Herr Hitler offers important assurances and in respect of France's own disarmament which while it is completed in ten years does not in Herr Hitler's proposals begin to take place until after five years. Offer in respect of Green Police may also prove important.

3. In view of Sir E. Phipps telegram No. 83<sup>4</sup> to you and in accordance with instructions contained in your telegram No. 73 I now propose unless otherwise instructed to communicate Herr Hitler's proposals confidentially to Signor Mussolini when I see him on Monday<sup>5</sup> at 5.0 p.m. and will seek to obtain his view of British memorandum and also of Herr Hitler's proposals. I also propose to communicate them to the French Government confidentially when I reach Paris but I will give no indication of them to French Ambassador here.

4. I would emphasise that His Majesty's Government in the United Kingdom have not and will not be committed in any way in these conversations. I fully recognise that my task is one of enquiry.

Repeated to Berlin and Paris.

<sup>1</sup> No. 308 was repeated to Rome as Foreign Office telegram No. 73.

<sup>2</sup> Mr. Eden arrived in Rome on February 24.

<sup>3</sup> No. 303.

<sup>4</sup> No. 312.

<sup>5</sup> February 26.

**No. 317**

*Sir E. Drummond (Rome) to Sir J. Simon (Received February 24, 9.20 p.m.)*  
*No. 77 Telegraphic [W 1948/1/48]*

ROME, February 24, 1934, 7.45 p.m.

Your telegram No. 52 to Berlin.<sup>1</sup>

Following from Mr. Eden.

It is of course the purpose of German propaganda to prove that France will not disarm. I did my best to counter this with English correspondents in Berlin. If you think it worth while would it not be possible to meet the propaganda in London by pointing out that the French view of our memorandum will only be made known on my return visit to Paris? See Paris telegram No. 58.<sup>2</sup>

Repeated to Berlin.

<sup>1</sup> No. 309.

<sup>2</sup> No. 291.

**No. 318**

*Sir E. Phipps (Berlin) to Sir J. Simon (Received February 26)*  
*No. 44 Saving: Telegraphic [W 1949/1/98]*

BERLIN, February 24, 1934

Your telegram No. 52.<sup>1</sup>

Following for Sir R. Vansittart.

I concur with your view that frankness is essential.

As regards German propaganda I observed during Mr. Eden's visit that British, American and foreign correspondents generally were telegraphing to their papers that France was obstructing progress. These telegrams were not due to German official propaganda as the Propaganda Ministry continues to be on very bad terms with the foreign press representatives here.

I fear that since the publication of the memoranda of the four countries, foreign correspondents here have become biassed in Germany's favour despite their antagonism to the Hitler régime on general grounds.

The correspondents of the leading French newspapers here, particularly 'Le Temps', 'Le Matin', 'Le Petit Parisien' and even 'L'Écho de Paris' openly bewail the inertia of French Government, and admit the German claim to equality in principle.

<sup>1</sup> No. 309.

*Sir J. Simon to Sir E. Drummond (Rome)*  
*No. 77 Telegraphic: by telephone [W 1997/1/98]*

FOREIGN OFFICE, *February 26, 1934, 2.30 p.m.*

Following for Mr. Eden from Secretary of State:

1. The Ministerial Committee met this morning. The telegrams from Sir E. Phipps and yourself which have reached us since No. 78 from Berlin<sup>1</sup> have cleared up any misunderstanding and your proposed course of action stated in your telegram No. 76 from Rome<sup>2</sup> is entirely approved. You will have noticed in Sir E. Phipps' telegram No. 83<sup>3</sup> that the German Foreign Minister raises no objection to all Herr Hitler's proposals being reported confidentially both to the Italian and to the French Governments. No. 86 from Berlin<sup>4</sup> shows that Italian Ambassador has already been informed.

2. We feel that your visit to Berlin has been most useful in eliciting and defining German claims and when you have gathered reactions in Rome and Paris we shall be in a better position to make with you a comprehensive survey and decide our own attitude. In the meantime, we shall give no indication of premature judgment until your return either in Parliament or through the press.

3. The importance of the new German proposals as regards the S.A. and S.S. are fully appreciated. Herr Hitler's suggestion that French disarmament should be postponed for five years may also please Paris, though it may not be regarded as an adequate set off against the concession of so large an air force to Germany immediately.

4. As regards Herr Hitler's air proposals, the figure of 1,000 aeroplanes mentioned in Foreign Office telegram No. 73 to Rome<sup>5</sup> was based on the calculation in our telegram No. 76.<sup>6</sup> If the German claim were to be understood as a percentage of the *defensive* aircraft of others, i.e., excluding French bombers and possibly some other types, the total might be nearer 500. The record of your conversation with Herr Hitler on February 21 does not, however, limit the calculation in this way. We suggest that in communicating Herr Hitler's proposals on this head you should not mention a definite total for Germany, unless indeed a definite figure was mentioned to you in Berlin, but should reproduce the Hitler formula as expressed to you, since there may perhaps be some doubt as to how it would work out. You will remember that the Italian memorandum published on January 31 in paragraph 6 spoke of scouting and fighting planes as included in the German claim for defensive armaments but gave no indication of numbers. One of the difficulties is to know what kind of aeroplanes are to be understood as defensive.

<sup>1</sup> No. 303.

<sup>2</sup> No. 316.

<sup>3</sup> No. 312.

<sup>4</sup> Not printed.

<sup>5</sup> No. 308 was repeated to Rome as Foreign Office telegram No. 73.

<sup>6</sup> No. 311 was repeated to Rome as Foreign Office telegram No. 76.



5. Your mission is so important and at the same time so difficult that we should like to send you the assurance of our full confidence and we are looking forward to your personal report as soon as possible. Can you yet indicate the day of your return to London?

**No. 320**

*Sir E. Drummond (Rome) to Sir J. Simon (Received February 27, 9.30 a.m.)*  
*No. 82 Telegraphic [W 2004/198]*

ROME, February 27, 1934, 1.15 a.m.

Following for Secretary of State from Mr. Eden:—

I am most grateful for your telegram No. 77.<sup>1</sup>

The Ambassador and I had a conversation with Signor Mussolini this afternoon.<sup>2</sup> The latter was emphatic that French Government could not agree to disarmament immediately. Therefore though he would be only too happy himself if our memorandum could be generally agreed to as it stood he had no hope of such an outcome. It did seem however that Herr Hitler's recent proposals to me in Berlin might provide means of reaching agreement. While German demands in respect of the air were large (Signor Mussolini himself estimated these demands at about 700 aeroplanes) they were limiting themselves to defensive aircraft and French would now have important assurances as to S.A. and S.S. together with a considerable postponement of their own disarmament. The key to the position was now parity.

Signor Mussolini himself would be prepared to agree to Herr Hitler's proposals and if France would agree to disarmament in second five years so much the better, if not then nations should agree upon basis of Italian plan which was much better than failure.

Public opinion would have to be educated as to how much would be achieved by whichever of these proposals proved attainable.

I emphasised that His Majesty's Government were anxious for Germany's early return to the League as was the Italian Government. The German Chancellor had not refused to consider the possibility but had objected to it forming condition of convention. Could Signor Mussolini assist us by bringing pressure to bear in Berlin on this issue? Signor Mussolini replied that he too attached great importance to Germany's return to the League and would do all he could to help bring it about though he doubted whether this should form part of convention.

As to future procedure Signor Mussolini thought that if French could be induced to consider Herr Hitler's proposals, next move should be meeting between the Four Great Western Powers to agree on exact terms of their settlement. I objected to this, that France had consistently refused of late to

<sup>1</sup> No. 319.

<sup>2</sup> This telegram was drafted on February 26. For a full record of the conversation see No. 322.

attend any Four-Power meeting. She would be all the more reluctant to do so when such meeting could not take place at Geneva. Signor Mussolini replied that he did not mean formal meeting between heads of Governments but only informal gathering of Ministers who had been specially charged with the problem in each of the countries and would be entrusted with drafting of agreement already reached in its main lines. Later there would have to be, no doubt, meeting between seven or eight Powers principally interested as a prelude to final signature at Geneva.

Throughout the conversation Signor Mussolini emphasised the need for speedy agreement and I think we could count upon his support for any reasonable compromise upon any terms ranging from those of British memorandum to those of Italian memorandum. Signor Mussolini by no means despaired of Herr Hitler's last offer making some impression on French.

Signor Mussolini had received from German Ambassador here memorandum setting out conditions proposed to me in Berlin and his figure of 700 aeroplanes was based on a statement in memorandum that German demand was for one half of machines in French possession. Signor Mussolini considered that this referred to French machines in commission namely about 1,500. You will notice that question of 'defensive' machines (see Sir E. Phipps' telegram No. 85<sup>3</sup>) is not yet definitely clarified.

Repeated to Paris and Berlin.

<sup>3</sup> No. 315.

### No. 321

*Sir W. Selby (Vienna) to Sir J. Simon (Received February 27, 6.20 p.m.)*

*No. 57 Telegraphic [R 1286/37/3]*

VIENNA, *February 27, 1934, 5.40 p.m.*

Chancellor informed me this morning that question of Austro-Hungarian-Italian meeting in Rome had been discussed in the course of Signor Suvich's visit.<sup>1</sup>

Chancellor said he was not opposed to meeting but was disinclined to take any final decision until he knew whether appeal to League would be necessary. If appeal proved necessary meeting beforehand between the three Powers might be inconvenient.

On the question of appeal to League Chancellor was awaiting confirmation of report that Hitler had dismissed Habicht. If this report proved true it might indicate more reasonable attitude on the part of the German Government.

Repeated to Berlin and Rome.

<sup>1</sup> Signor Suvich visited Vienna on February 25 on his return from a visit to Budapest.

No. 322

*Sir E. Drummond (Rome) to Sir J. Simon (Received March 2)*  
*No. 186 [W 2109/1/98]*

ROME, February 28, 1934

His Majesty's representative at Rome presents his compliments to the Secretary of State for Foreign Affairs, and has the honour to transmit herewith copy of the record of an Anglo-Italian conversation at the Palazzo Venezia on disarmament.

ENCLOSURE IN NO. 322

*Record of a Conversation held at the Palazzo Venezia on Monday,  
February 26, 1934, at 5 p.m.*

Present:

Signor Mussolini.  
Signor Suvich.  
Baron Aloisi.

Mr. Eden.  
Sir Eric Drummond.  
Mr. Strang.

Mr. Eden gave a brief account of his conversations in Paris and Berlin. In Paris, he said, the French Ministers were not yet in a position to state their views in detail on the United Kingdom memorandum, but they had promised to do so when Mr. Eden visited Paris on his way back. In Berlin, Herr Hitler had proposed a number of modifications to the United Kingdom memorandum, which, if accepted, would enable him to agree to the proposals made in that memorandum. Mr. Eden gave an outline of Herr Hitler's proposals, with which Signor Mussolini was already familiar. He said that His Majesty's Government would await his return before coming to a conclusion as regards those proposals. For the present His Majesty's Government still stood by the terms of their memorandum.

Signor Mussolini said that the attitude of the French was most important, because upon this depended the whole question whether or not there was to be a convention. He was convinced that the French, in present conditions, would not be prepared to give up a single rifle. It was quite evident that the Disarmament Conference had failed. The armed States were not prepared to disarm, and the disarmed States were already rearming. In his own view the convention ought to provide for a limitation of German rearmament, such rearmament to consist of defensive weapons only. A counterpart to such an arrangement would be, first, the transformation of the Reichswehr; secondly, the institution of a system of control; and, thirdly, the recognition in practice of the principle of equality of rights, together with the return of Germany to the League. Once German equality of rights was established in practice, a firm attitude ought to be adopted towards Germany. In any event Germany ought not to possess bombing planes or any offensive weapons, and it was to

<sup>1</sup> This record was made by the British representatives for the use of His Majesty's Government.

be hoped that bombing planes would be abandoned altogether during the second period. If the French should be willing to recede somewhat from the attitude they had adopted in the past, and agree to disarm during the second five years, no one would be better pleased than himself.

Mr. Eden emphasised that His Majesty's Government were anxious for Germany's early return to the League, as was the Italian Government. Herr Hitler had not definitely refused to return to the League of Nations. He had said that this question ought not to be linked up with that of a disarmament convention, but that if such a convention was concluded, he might be prepared to discuss the question of Germany's return. Could Signor Mussolini assist by bringing pressure to bear in Berlin on this issue? <sup>1</sup>/<sub>1</sub> ✓

Signor Mussolini replied that he, too, attached great importance to Germany's return to the League, and would do all he could to bring it about, though he doubted whether it should form part of the convention. He thought that if the convention was not drafted in too great detail, Germany might be persuaded to sign. Such signature must, of course, take place at Geneva.

Signor Suvich observed that Herr Hitler had evinced some repugnance to the signature of the convention at Geneva, and had expressed a preference that the other Powers should come to an agreement there and then discuss that agreement with Germany.

Signor Mussolini apparently took the view that such a procedure was inadmissible.

Sir Eric Drummond said that the postponement of any French disarmament for five years ought certainly to be a matter of great importance to the French Government.

Signor Mussolini agreed, and said that their whole point was that they should not be asked to disarm immediately. He observed that, of course, the Germans had already rearmed, and that no one could prevent them. There was only one way to stop German rearmament, and that was war.

The conversation then turned to the German air proposals, Mr. Eden remarking that it was not clear how the figures would work out.

Signor Mussolini said that in a memorandum which he had received from the German Ambassador, a copy of which he had before him, it was stated that the percentage which the Germans asked for would be calculated upon the 'total effective air forces' of Germany's neighbours, or half the aeroplanes in the possession of France, if that were a lower figure. Germany would not ask for bombing aeroplanes for two years. If, however, bombing from the air was not abolished by that time, they also would require to possess bombers. His own estimate was that the percentages would work out at about 700 aeroplanes for Germany.

Signor Suvich observed that the French had in all about 4,000 aeroplanes.

At this point Signor Mussolini telephoned and obtained the following figures of the French air forces: In the line, 1,500; in reserve, 2,000; in schools of instruction, 500; total, 4,000.

Baron Aloisi observed that Germany would, of course, also ask for aeroplanes for the reserve and for schools of instruction.

Signor Mussolini thought, however, that the German claim would only take into calculation the French aeroplanes actually in commission.

Sir Eric Drummond pointed out that if, as appeared from the latest information given by General von Blomberg to Sir Eric Phipps, the calculation was to take account only of the *defensive* aircraft of Germany's neighbours, then, of course, the German figure might be less.

Signor Suvich observed that the memorandum supplied to the Italian Government by the German Ambassador had spoken of 'the total effective air forces' of Germany's neighbours, and did not limit the reference to *defensive* aircraft.

Mr. Eden asked whether he might sum up the Italian view as follows: The Italian Government did not believe that the French Government would disarm. If the French Government were, however, prepared to disarm, the Italian Government would be only too happy. If the United Kingdom memorandum could be generally accepted as it stood, the Italian Government could accept it, but they had no hope of such an outcome. Failing this, Herr Hitler's proposals might furnish a possible basis for agreement. In any event, it was necessary to act quickly as the situation would deteriorate unless something was done. If nothing else would serve, it would be best to fall back upon the Italian plan, which was much better than failure.

Signor Mussolini agreed. He said that he thought that public opinion would be satisfied with the postponement of disarmament for a few years plus the immediate institution of a system of control, but it would be necessary to educate public opinion as to how much would be achieved by whatever method was adopted. He asked Mr. Eden what the French Government had said to him in Paris.

Mr. Eden said that they had intimated that it would be difficult for them to disarm while the Germans were rearming; that the proposals as regards security in the United Kingdom memorandum were inadequate; and that they were gravely disturbed by the question of the S.A. and S.S. They promised, on his return, to state their views in greater detail.

Mr. Eden at this point informed Signor Mussolini of the terms of Herr Hitler's assurance as regards Locarno.

Signor Suvich wondered whether the Germans would be prepared to accept gradual rearmament by stages.

Mr. Eden said that on this point they had accepted the United Kingdom memorandum, which provided for the progressive equipment of the new short-term service army as it came into being. He had the impression that the Chancellor was sincere in desiring a disarmament convention, as he wished to be able to push on with a long programme of internal reconstruction.

Signor Mussolini asked whether the same was true of those who surrounded Herr Hitler.

Mr. Eden said that, speaking frankly, he was less sure of this. He recalled that Hitler's offer to reduce the Green Police by 50,000 men had not pleased Freiherr von Neurath.

Signor Mussolini said that the French Ambassador had recently said to him, with reference to the Italian proposals, that, if the French Government could obtain satisfactory answers on three points, they might perhaps be able to do something in the way of a convention. They wished first to be satisfied in regard to the S.A. and S.S. On this Signor Mussolini thought that Hitler's five-point assurances ought to satisfy them. Secondly, they wished to be sure of the Italian attitude as regards control, as on this point the Italian memorandum had not been clear. Signor Mussolini had said that Italy would accept a system of control. Thirdly, they wished to be satisfied as regards the Italian attitude towards Locarno. On this Signor Mussolini had given the necessary assurances.

In continuation, Signor Mussolini said that the question of the S.A. and S.S. interested Italy also. There were, however, only 800 permanent men in the Fascist militia. The remainder were all part-time volunteers.

Mr. Eden said that on the question of effectives he understood the Italian view to be that they would rather that the Germans should have 300,000 men and that other Powers should keep their present effectives, than that parity between the chief continental Powers should be established. If conventional provision were made for parity of metropolitan effectives, the question of overseas troops might cause difficulty between Italy and France.

Signor Mussolini said that this was, of course, a question which would have to be examined, but it was not one of the greatest importance.

Turning to another point, Mr. Eden said that he had asked the Chancellor how he thought it would be best to proceed in the immediate future. He had unofficially suggested to Herr Hitler the possibility of an intermediate stage, such, for example, as a meeting of representatives of some of the Powers chiefly concerned, perhaps seven or eight. He had not found Herr Hitler very well disposed to this suggestion. The Chancellor thought that it would be better to wait and see how the French reacted before considering this question.

Signor Mussolini said that in his view a meeting of this kind would be inevitable sooner or later. Various procedures had been tried, such as bilateral exchanges, the issue of four memoranda, and now Mr. Eden's tour. The best course would be to arrange an informal meeting of delegates from the four Western Powers, to take place away from Geneva. These delegates would not be heads of Governments, but, perhaps, the competent Ministers or officials charged with the handling of this question. They should not, of course, be technical experts. Their duty would be to draw up the outline of a convention embodying the points upon which the four Governments were agreed. When this had been done, the draft would be examined at a meeting of responsible delegates from the four Governments, together with delegates

from some other States, such, for example, as Poland, U.S.S.R. and the United States.

Mr. Eden recalled that the French had consistently refused of late to attend any four-Power meeting, and he thought that they would be the more reluctant to do so when such a meeting could not take place at Geneva. Turning to the substance of the question, he asked whether he could report to His Majesty's Government that, in the Italian view, the United Kingdom memorandum, as well as the modifications proposed by Hitler, both offered a basis for an agreement.

Signor Mussolini replied in the affirmative.

Mr. Eden emphasised that Herr Hitler's proposal as regards aviation would, of course, cause a very great difficulty.

Signor Mussolini said that it should be remembered that Germany had four frontiers to defend. He asked Mr. Eden whether he had brought any further impressions from Berlin.

Mr. Eden said that while the Germans insisted that they were pacific, yet they seemed to take delight in talking about their war experiences. They appeared genuinely to desire peace in order to push on with the fifteen years' internal programme which they had in view. They seemed to be gravely disturbed at the possibility of their towns and factories being bombarded from the air; and, though they were aware that defensive aeroplanes would not be an effective protection, they yet desired them if only for psychological reasons. They fully understood French apprehensions. The subject of Austria had not been mentioned during the conversations.

Mr. Eden then raised the question of the date of his departure from Rome. He had originally intended to leave on Wednesday, the 28th February; but, as the present conversation had proved so satisfactory, he saw nothing to detain him and would prefer to leave a day earlier, if only in order to be able to report to His Majesty's Government the sooner. He trusted that Signor Mussolini would see no objection to this. The decision would, of course, depend upon whether the French Ministers could receive him on Wednesday, the 28th.

Signor Mussolini said that he perfectly understood the reasons why Mr. Eden should wish to leave the following day, and saw no reason why he should defer his departure.

Mr. Eden said that he did not, of course, know what His Majesty's Government would think about the German proposals. They would only consider them after his return.

Signor Mussolini said that the French were obtaining a system of control, assurances about the S.A. and S.S., and a postponement of their disarmament. The French Ambassador had given him the impression that these things were an appreciable step towards meeting French views.

Signor Suvich, however, thought that the French objected not only to

French disarmament, but equally to German rearmament, if this was to begin at once.

Signor Mussolini, throughout the conversation, laid the greatest stress on the urgency of a settlement being reached at the earliest possible moment, as otherwise the German demands were certain to increase.

It was agreed to issue a communiqué to the press in the following terms:—

'The head of the Government this afternoon received at the Palazzo Venezia Mr. Eden, the Lord Privy Seal, who informed him of the conversations which he had had in Paris and Berlin. This information enabled them to examine afresh the British and Italian memoranda. They found themselves in accord as to the objects to be reached and, in particular, as to the possibility of finding a basis for a general agreement.'

### No. 323

*Lord Tyrrell (Paris) to Sir J. Simon (Received March 1, 10.0 p.m.)*

*No. 61 Telegraphic [W 2113/198]*

PARIS, March 1, 1934, 7.30 p.m.

Following from Mr. Eden:—

I was received this morning by M. Doumergue and M. Barthou.<sup>1</sup> After acquainting them with results of my visits to Berlin and Rome I reminded them that at my first visit they had said they hoped on my return to be able to give me their considered views on our memorandum. Were they now in a position to do so? They had particularly emphasised the difficulty created for France by existence of pre- and para-military formations. What, for instance, did they think of Herr Hitler's offer to apply in future a set of rules to these bodies and to subject them to control on the basis of those rules?

2. M. Doumergue replied that my visit had produced results which were most interesting and which merited close consideration. As regards S.S. and S.A. he thought the Chancellor's offers did not really solve the French difficulty inasmuch as they did not suppress these bodies or reduce their numbers. As regards aviation, the Chancellor's offer to restrict Germany to short-range machines was all very well but Germany already possessed a considerable commercial fleet capable of being used for bombing. As to the German offer that France should maintain her *status quo* for five years this was in effect no concession so far as effectives were concerned, inasmuch as it was precisely during these years that the French metropolitan forces would drop to something like 200,000 men which would spell not equality for Germany but inferiority for France. The whole of M. Doumergue's remarks were interspersed with allusions in vague and general terms to security.

<sup>1</sup> For a full record of this conversation see No. 324.



3. M. Barthou who followed drew my attention to reports of various parliamentary commissions all of which had reached unanimous opinion that in the present state of Europe any disarmament by France coupled with rearmament by Germany was unthinkable. He then proceeded to read a number of reports from consular officers and others received since my last visit which went to prove that training received by the S.S. and S.A. was becoming more and more intensive and that violation of demilitarized zone was becoming increasingly flagrant. He went on to admit frankly that internal preoccupation of French Government had prevented them from giving their attention to disarmament but promised that they would now do so in the light of information which I had brought back and that they would let us know the result as soon as possible.

4. After pointing out that preoccupations of French Ministry would be best met by a convention I recalled that whereas my visits to Berlin and Rome had fully enlightened me on German [? and Italian] attitude replies which I had just received left me still in the dark in regard to the French attitude towards our memorandum. Could they not give me something rather more specific? Could they accept it on conditions, if so what were the conditions?

5. They again embarked on a description of dangers of situation and of nervousness of French public opinion. Try as I would I could get no more out of them than a promise to let us have their views as soon as possible. Point to which they repeatedly reverted was that of security though even here they had nothing to say. M. Doumergue said that obligation to consult was not sufficient as France might be invaded while the process of consultation was going on.

6. I am clear that not only have French Government's hands been too full during my absence to permit of their giving attention to disarmament but also that they are in a very hesitant frame of mind. They are impressed with reports of parliamentary commissions and timid of their public opinion. Their internal position is not strong and they are afraid of taking a decision on disarmament of any kind until they have had time to look round. I am afraid I was quite unable to make them face realities today though I hope they may soon come to perception of their existence.

7. I had a conversation with M. Doumergue privately afterwards. He did not conceal his anxieties and added the characteristically French comment that while it might be possible to wink at German rearmament it was quite another thing to agree to it. His public opinion would make this most difficult.

Repeated to Berlin and Rome.

*Record of a Meeting held in Paris in the President of the Council's Room on  
Thursday, March 1, 1934, at 11.30 a.m.<sup>1</sup>*

[W 2139/198]

Present:

M. Doumergue.  
M. Barthou.  
M. Léger.  
M. Massigli.

Mr. Eden.  
Mr. Campbell.  
Mr. Strang.

Mr. Eden recalled that when he was in Paris the previous week he had asked the French Ministers to let him know their views on the United Kingdom memorandum, and that they had promised to give him this information on his return. It might, however, help them if he were now to give some account of his journey. No doubt the French Ambassador in Berlin had reported the proposals which Herr Hitler had made, but it might be useful if, nevertheless, Mr. Eden gave them his own impressions.

M. Doumergue at their last meeting had laid special emphasis upon the question of the S.A. and S.S., and M. Barthou had asked Mr. Eden to obtain a firm statement of the German position. Both these points, he thought, were dealt with by what Herr Hitler had said.

As regards the S.A. and S.S., the Chancellor had stated that he was prepared to put into effect five new rules governing their activities, and that the observance of these rules would be subject to a system of supervision. He would not recapitulate Herr Hitler's five points; as the French Ministers no doubt already knew them. In general the German Government were prepared to accept the United Kingdom memorandum subject to amendment in regard to air armaments. At the first interview with Herr Hitler the latter had stood out for a five-year convention, but at the second interview had agreed to a ten-year convention, in order to meet the views of the French Government. Herr Hitler also proposed that during the first five years of the convention there should be no disarmament by the heavily armed Powers. In the second five years there would be a programme of disarmament of the same scope as the programme in the United Kingdom memorandum. As regards aircraft, what Herr Hitler asked for was a force of defensive short-range aircraft to be allowed to Germany immediately instead of possibly at the end of two years. This request was without prejudice to the results of the air enquiry proposed in the United Kingdom memorandum. The Chancellor emphasised that Germany desired these aeroplanes not only in virtue of the principle of equality of rights, but also because German towns and industrial areas lay open to bombardment from the air. During the whole period of the convention the number of Germany's defensive aircraft would never exceed

<sup>1</sup> This record was made by the British representatives for the use of His Majesty's Government and was received in the Foreign Office on March 2 from H.M. Embassy in Paris.

50 per cent. of the French air forces. Germany would require no bombing aeroplanes, unless the air enquiry should fail to secure the abolition of bombing from the air. Herr Hitler also offered certain concessions in the matter of the German police. The French Ministers would observe that Herr Hitler's proposals restored one aspect of the probationary period desired by the French Government, in that there would be no disarmament by France for five years. He was not, of course, in any sense advocating Herr Hitler's proposals, because he had no idea how His Majesty's Government would regard them. He was merely putting them to the French Ministers as they were put to him.

He had raised with the Chancellor the question of the German attitude towards the Locarno treaties. The Chancellor had emphatically declared that Germany would faithfully fulfil any treaties into which she had entered of her own free will.

As regards the League of Nations, Mr. Eden had told the Chancellor that His Majesty's Government attached great importance to Germany's return to the League. Herr Hitler had, however, said that he could not agree that this question should be connected with that of a disarmament convention. It was not right that Germany should be asked to do what the United States of America and the U.S.S.R. were not asked to do. Mr. Eden had replied to this argument by recalling that Germany had left the League on an issue arising out of the Disarmament Conference, and it was only proper therefore that she should be asked to return in connexion with the conclusion of a disarmament convention. The Chancellor did not, however, definitely refuse to discuss the possibility of Germany's return to the League. He said that after a convention was signed he might be ready to discuss the question of Germany's return.

The Chancellor had further impressed upon Mr. Eden Germany's sincere desire for a convention.

Mr. Eden then turned to his visit to Rome, and said that he had given Signor Mussolini an account of the conversations at Berlin. Signor Mussolini had thought that the United Kingdom memorandum was too optimistic in present conditions because he was convinced that the French Government were not prepared to disarm immediately. He was, however, ready to accept it, but he thought his own plan was more in consonance with reality. The Hitler proposals seemed to him to offer a reasonable basis for an agreement in that they postponed French disarmament and provided for supervision. Mr. Eden had come away with the impression that Signor Mussolini would be willing to accept any plan lying between the United Kingdom memorandum and his own memorandum. Signor Mussolini had throughout laid great emphasis on the necessity of reaching an agreement at the earliest possible moment, because otherwise the situation would deteriorate.

M. Doumergue thanked Mr. Eden for his interesting and valuable survey. He said that, although it was quite true that Germany had declared herself willing to issue rules to govern the activities of the para-military organisations,

these rules would merely change the appearance of these formations, and would do nothing to limit their numbers. It would still be possible to extend them by associating with them other organisations, such as reserves and territorial troops. The question also arose, how was the execution of these rules to be supervised once they were applied? If it were to be proved that they had not been duly fulfilled, there would have to be sanctions. This was essential. There was no provision for anything of this kind in the German proposals. The German proposals could therefore not be said to satisfy French preoccupations. The Germans had, indeed, recognised these preoccupations, but they had then done nothing to ensure a limitation of the numbers of persons undergoing para-military training.

As regards the League of Nations, the German reply was not very encouraging. The function of the League was to maintain peace and prevent conflicts. In the eyes of the world, the Covenant had a definite and precise character. The States who entered the League showed their devotion to the ideal of peace. How could France fail to be disturbed when Germany had announced her intention of withdrawing from the League, more especially as Germany had withdrawn at a moment when she felt strong, when she had an army reinforced by vast bodies trained in para-military organisations. They had given no undertaking to re-enter the League, but had done no more than hold out the hope that they might do so. Neither French public opinion nor world public opinion would understand why it was that Germany refused to have anything to do with a body whose function it was to organise peace. They would remember that it was nations who desired war, such as Japan, who withdrew from the League.

As regards aviation, it was quite true that Germany did not ask for bombing planes until after the air enquiry, but it should not be forgotten that the Germans had a great civil aviation, and that their civil planes could easily be transformed into bombers. The French Government were not at all inclined to see Germany in possession of a military air force. He did not know what His Majesty's Government thought about this, but there could be no doubt as to the view which French public opinion would take of the proposal. As regards the Chancellor's suggestion that French disarmament should be postponed, he thought that this proposal lost a good deal of its value once the principle of German rearmament was admitted. The point upon which he must again insist was that of sanctions. This was a question which stood before all others. Sanctions must be effective and reciprocal. They should apply in case of need not only to Germany, but to France also. The French were not afraid of them. Sanctions were essential because, as experience had shown, war might descend rapidly upon a country, and, in that event, consultation alone would not be an adequate protection. As a matter of common sense, it was unreasonable to ask France to disarm without giving her effective guarantees against sudden aggression. He would insist, however, that the French Government were not hostile to an agreement. They were not returning a negative answer. They wished to seek a solution and to continue conversations to that end. Mr. Eden's tour had been of great value

in clearing up the points of view of the various Governments. Signor Mussolini's reply had not surprised M. Doumergue. Signor Mussolini had not said that France must disarm.

Mr. Eden remarked that neither had Herr Hitler, at any rate, for five years.

M. Barthou said that he agreed with M. Doumergue, who had expressed the point of view of the French Government. The French Government keenly desired to reach an agreement. Mr. Eden's tour had produced most useful and, indeed, valuable results and assurances, and had cleared up the position.

As regards the League of Nations, he endorsed what the President of the Council had said. If His Majesty's Government were to insist on Germany's return as a condition of a disarmament convention, they would have the full support of France.

As regards sanctions and guarantees, he was not in a position to give a full reply from the French Government. Owing to pressure of work there had been no opportunity for a meeting of Ministers. They had, moreover, thought that Mr. Eden would bring them information which would be of value to them in considering the question. General Weygand, the Chief of the General Staff, was greatly worried by the situation, and had asked that the whole question should be submitted to the Comité de la Défense nationale and this would be done. He would, however, recall that the French Government had already stated their views in regard to the question of guarantees of execution in a letter to Mr. Henderson, the president of the Disarmament Conference, dated the 5th December, 1932.<sup>2</sup>

Continuing, M. Barthou said that it was necessary to face the realities of the situation. Both France and Great Britain were parliamentary countries and their public opinion was often divided on many points. In France, however, there was a united view that the French Government had already gone to the extreme limit of concession.

M. Barthou then produced and read extracts from a consular report from Germany, dated the 19th February, that is to say after the date of the last meeting with Mr. Eden. This report showed that the S.A. were being augmented by reserves from active regiments and territorial formations; that the training received by the S.A. and S.S. had been intensified since the 22nd January last; and that great preparations had been made for the manufacture of munitions. He also produced a memorandum signed by Marshal Pétain, Minister of War, dated the 20th February, and, therefore, also subsequent to Mr. Eden's last visit, which gave the total of the S.A. and S.S. in December 1933 as two and a half millions, and gave further proof of a recent intensification in their training and in the preparation for the manufacture of munitions. This latter document had been shown to the President of the Council, but had not yet been communicated to other Ministers. He had read it himself with considerable emotion and could guess that his colleagues would also be profoundly moved by it. He also read extracts from a memorandum by

<sup>2</sup> See No. 172, note 2.

the Air Ministry, giving information as to the growth of German military aviation in violation of the treaty, and of infractions of the treaty committed in the demilitarised zone by the construction of military aerodromes.

M. Barthou recalled that he had informed Mr. Eden at the last meeting of the terms of resolutions of various commissions of the Senate. He was on the following day to appear before similar commissions of the Chamber, and he had no doubt that he would find them gravely disturbed.

The Senate had on the 26th February appointed a sub-committee for national defence to enquire what measures should be taken in the present state of the world to co-ordinate questions of national defence and diplomacy. This sub-committee had produced a *questionnaire* which had been sent to himself among others, and he would have to answer it as best he could. Furthermore, the four committees of the Senate on Foreign Affairs, the Army and Navy and Air Force had unanimously resolved that France should return to her plan of security of the 12th November, 1932,<sup>3</sup> a constructive plan which had been almost completely abandoned, except in the matter of supervision. They appeared to hold the view that unless this were done it would not be possible for France to agree with any rearmament of Germany.

M. Barthou emphasised that what he was saying did not amount to a blank refusal, but he felt bound to give a clear statement of a very grave situation. The present conversations should be continued. As regards guarantees of execution, they might start from the proposals made by M. Paul-Boncour to Mr. Henderson on the 5th December, 1933. It would be necessary to see whether Germany would prove her good faith by returning to the League of Nations. He was well aware that his remarks would not be pleasant to Mr. Eden. It was true that His Majesty's Government had produced a plan which made a step forward, but the step which it made was not sufficient. Conversations should continue, but they should take account of the facts as he had presented them. There would be difficulties from France's side, but no ill-will. Peace would not be troubled if France, the United Kingdom and Italy could come to an agreement. He would ask Mr. Eden to reflect upon all that he had said. His words had been spoken by a true friend of Great Britain.

Mr. Eden said he could not complain of M. Barthou's frankness. He would start by dealing with some of the points M. Barthou had raised.

As regards the League of Nations, His Majesty's Government was as anxious for Germany's return to the League as the French Government. He had made that clear to the German Chancellor. He had, moreover, informed Signor Mussolini of what Herr Hitler had said, and had asked the former whether he could help by bringing pressure to bear on Berlin. Signor Mussolini had said that he would do what he could, though he saw how difficult it would be for Germany to agree to return to the League as part of a convention.

<sup>3</sup> See Volume IV of this Series, No. 176. The French memorandum is there dated November 14.

The French Ministers would also observe that Herr Hitler's proposals, whatever their other merits might be, did at least allow France five years before asking her to disarm, and that during these five years there would be supervision over the S.A. and S.S. and, generally, over the execution of the obligations of the convention. He thought this ought to be an important point for the French Government.

He had listened with great interest to the evidence as to the activities of the S.A. and S.S. in Germany which M. Barthou had given to him. He would, however, observe that Herr Hitler had never asserted that his five proposed rules were in force at the present moment. They were to be new rules, to come into force with the convention. If the present situation was what M. Barthou's documents showed it to be, there was surely all the more need for a convention embodying such rules and a system of supervision to check the growth of these para-military organisations. The abuses to which M. Barthou had referred showed how much these rules were needed. They were arguments not against, but for, a convention. Short of abolition, he could not think that there could be more thorough rules than those suggested by the Chancellor. These rules, together with a system of supervision operating during the five-year period, when there would be no disarmament by France, did seem to him to be of some value.

As regards security, he understood that the French Government still desired the guarantees of execution set forth in M. Paul-Boncour's letter to Mr. Henderson of the 5th December. For the rest he felt himself in some difficulty. His mission had been to obtain the views of the three Governments on the United Kingdom memorandum. He now knew the German view, which was that the German Government would accept the memorandum as a basis subject to certain stated conditions. He knew the Italian view, which was that the Italian Government would accept the memorandum or any variant of it in the direction of their own memorandum. He did not yet know the French views.

What was he to report to His Majesty's Government? Did the French Government accept the memorandum as a basis, subject to the acceptance by His Majesty's Government of the proposals made to Mr. Henderson on the 5th December? Or did the French Government stand on the position taken up in the resolution of the four senatorial committees, which seemed to exclude altogether any rearmament of Germany? He would like to be able to report as fully upon the French view as upon the German and Italian views, the French view (that is to say) on the United Kingdom memorandum rather than upon Herr Hitler's proposals. He pressed this question all the more because he had come to Paris a second time to learn the views of the French Government. He was prepared to stay one day or even two days more if such a statement would be forthcoming, though he quite understood the difficulties the French Government were in. He would be sorry to have to return with his information so incomplete.

M. Doumergue said that, although the Germans had proposed that there

should be no disarmament of France for five years, they had done so well knowing that during those five years, i.e., from 1935 onwards, the number of French effectives would fall sharply. If France maintained the period of service of one year, French effectives during those years would no longer be 300,000, as now, but only 200,000. In order to reach the figure of 300,000 during the lean years France would either have to increase the period of service or recast her military system, and in any case greatly to increase her expenses. The proposal to maintain French forces as they were for five years was thus no concession from Germany. He wished to give Mr. Eden three figures which would summarise the position. In 1914, with three years' service, French effectives amounted to 675,000. In 1925 they were 439,000, or 35 per cent. less. In 1934 they were 300,000, or 55 per cent. less. This figure would shortly fall to 200,000, whereas the Germans proposed to have 300,000 during this period. He would also point out that Germany had a navy as well as an army and that, if French naval policy remained as at present, Germany would outclass the French navy. Was this to be tolerated?

Mr. Eden might inform His Majesty's Government that the French Government were anxious to pursue conversations. His Majesty's Government had made proposals for consultation in the memorandum, but this was not enough. Where was consultation to take place if France were suddenly invaded? He had placed the facts before Mr. Eden and, in face of these figures, the French Government did not think that the proposal for consultation was adequate protection. They did not think that Herr Hitler's proposals would amount to equality of rights, but to inferiority for France, unless France recast her military organisation.

M. Barthou said that, on several points, such as the probationary period, supervision and guarantees of execution, although there might be considerable disagreement, it should not be difficult to come to a common solution. But on one point, and this was a crucial point, he was unable to give Mr. Eden the answer he asked for. This question was: Did France accept German rearmament?

Mr. Eden observed that the question he had put was: Did France accept the United Kingdom memorandum?

M. Doumergue said that he quite understood the difficulty of Mr. Eden's position. Compromises were difficult to reach where they touched vital questions. He would make two observations on the United Kingdom memorandum, namely, that the question of Germany's return to the League of Nations was not sufficiently accentuated, and that the sanctions provided were more theoretic than real.

Mr. Eden said that he would be able to understand the French Government's point of view, if they could say that they accepted the memorandum as a basis subject to the two observations which M. Doumergue had made. It would not be enough for him merely to return to London and say that the French Government thought that the sanctions provided in the memorandum were inadequate. Such a declaration could not be said to advance matters.



M. Barthou said that the two points mentioned above were not of crucial importance. The real point was, did the French Government accept German rearmament? This was a question of security and national psychology. Put in other words, the question was, did the French Government accept the revision of the Treaty of Versailles in the matter of effectives and material? He could not give a reply either on the following day or after that. It was a very grave question, upon which only the Government as a whole could reach a decision in the light of the advice of the Comité de la Défense nationale. When the Council had reported and the Government had deliberated upon the report, he would be able to give Mr. Eden a reply, but not before. He begged Mr. Eden to give them a few days or a few weeks. The results which Mr. Eden had brought from Berlin and Rome were in no sense negative results.

M. Doumergue pointed out that on several points Mr. Eden could give a precise report to his Government. France required the entry of Germany into the League as a pledge, before she could negotiate with her. During the five lean years French effectives would fall to 200,000 men. France was as doubtful about the German aviation proposals as was His Majesty's Government. As matters were at present, Germany would soon outclass France in the matter of naval armaments. The facts of the situation were there, and nothing could be done against them.

Mr. Eden said that he could have wished for something more precise as to the French view on the United Kingdom memorandum.

M. Doumergue suggested that he should report to His Majesty's Government that the French Government had produced facts which His Majesty's Government had possibly not sufficiently appreciated hitherto. His Majesty's Government might then re-examine their own memorandum in the light of Mr. Eden's visits to the three capitals. Perhaps Germany might be brought to a more pacific frame of mind, but it was essential to foresee the worst and prepare for it. The right course would be to continue the conversations, taking due account of the naked facts of the situation. Slow and sure was the motto.

Mr. Eden said that it seemed to him, on the contrary, that the longer a solution was delayed the more difficult it would become. Delay would not serve either the cause of disarmament or the cause of peace.

M. Doumergue said that the French Government were uneasy at the actual increases in German military forces now being made.

Mr. Eden said he concluded, therefore, that he might report that the French Government were not yet in a position (for internal reasons, which he well understood) to give a detailed reply as to their views on the United Kingdom memorandum. They would, however, give such a reply as soon as possible, in the light of what he had reported as to his visits to Berlin and Rome. In that reply they would state their views upon the United Kingdom memorandum.

M. Barthou said that, of course, the basis of it all would be the United Kingdom memorandum. The worst course would be to send an equivocal reply. In the following week the crucial point of German rearmament would be submitted to the Government and a precise answer obtained, but he hoped that they might be allowed a week or two in which to produce it.

It was agreed to issue the following communiqué to the press:—

‘Mr. Eden stopped in Paris on his arrival from Rome this morning. He was received at 11.30 a.m. by M. Gaston Doumergue, the President of the Council, and M. Louis Barthou, Minister for Foreign Affairs, whom he informed of the conversations which he had had at Berlin and Rome. The principles of the United Kingdom memorandum were examined in the light of this information. M. Doumergue and M. Louis Barthou told Mr. Eden that they would continue the examination and would shortly communicate to him the conclusions reached by the French Government.’

## No. 325

*Sir J. Simon to Sir E. Phipps (Berlin)*

*No. 57 Telegraphic [W 1941/1/98]*

FOREIGN OFFICE, *March 2, 1934, 5.15 p.m.*

1. Mr. Eden returned last night and on studying your telegram No. 85<sup>1</sup> of February 24 and comparing it with the record<sup>2</sup> and telegram of February 21,<sup>3</sup> we feel that there is some obscurity in the numbers of military aeroplanes for which Germany asks and that the uncertainty should be definitely cleared up at once. As the apparent contradiction is between the statements of the Chancellor and of General von Blomberg, we feel that you should see the former and get definite authorisation to communicate the correct view to me, but you will use your own discretion as to the best method to employ.

2. The statements as recorded of the February 21 conversation imply that the total number of defensive aeroplanes asked for was 50 per cent. of French military aeroplanes of all kinds. This was explained next day by Herr von Neurath to mean 50 per cent. of French metropolitan military aeroplanes of all kinds, but your telegram No. 85 describes the percentages as being applied to the total of French defensive military aeroplanes which makes a great difference. What is meant by French defensive machines? It would be desirable to know what class[es] of machines are included and what classes are excluded.

3. It may be undesirable to ask the Chancellor for a definite figure which is the result of applying his formula for this will be likely to raise the demand to a maximum. But we do not feel that we can judge the German proposal or explain it to others until we clearly understand from the highest authority what the claim is. You should also obtain if possible closer definition of what is meant by ‘short range defensive aeroplanes’.

<sup>1</sup> No. 315.

<sup>2</sup> See No. 305.

<sup>3</sup> See No. 303.

*Sir E. Drummond (Rome) to Sir J. Simon (Received March 7)*  
*No. 197 [R 1435/37/3]*

ROME, March 2, 1934

Sir,

With reference to your despatch No. 176<sup>1</sup> of the 20th February last, I have the honour to transmit to you two interesting memoranda by the Military Attaché to this Embassy on the subject of Italian military arrangements. It will be noted that the report of the Japanese Military Attaché regarding the formation of a virtual 'expeditionary force' of four divisions coincides with the 'two army corps' referred to by M. Benes in his interview with Sir Joseph Addison.

2. It is true that Signor Suvich explicitly denied last August that military preparations were contemplated or that they had been discussed at Riccione (see Mr. Murray's telegram No. 43 Saving<sup>2</sup> of the 26th August last), a statement which appeared to be confirmed by reports of eye-witnesses (see Mr. Murray's telegram No. 261<sup>3</sup> of the 10th September). The transfer a few days later of the headquarters of the Verona Army Corps to Bolzano seemed to be largely a gesture, and, indeed, was referred to as such by Signor Mussolini in a conversation with Sir Ronald Graham on 28th September (see Sir R. Graham's telegram No. 280<sup>4</sup> of the 28th September). But events have moved rather quickly since last autumn, and, soon after my own arrival here, Signor Suvich, as reported in my telegram No. 30<sup>5</sup> of the 28th January, speaking quite personally, implied that he rather regretted that the Nazis were not attempting a 'Putsch', since, if they did so, it would be possible to send troops to expel them. Further, as you will remember, he confirmed this implication, though not in a very definite form, on the 9th February (see my telegram No. 48<sup>6</sup> of that date).

3. I do not, however, consider that there is anything very alarming in the present reports, supposing that they are true, since the Italians are almost certainly only preparing themselves against any eventuality which the present grave unrest in Central Europe may produce. Were Austria to appeal to the League of Nations, it is conceivable that the Council might in certain eventualities recommend collective military action, and Italy perhaps feels that she should be in a position to respond to such a demand. The prospect of unilateral Italian action without any previous reference to the League is more disturbing, because of its repercussions in Czechoslovakia and Yugoslavia,

<sup>1</sup> Not printed. This despatch copied to Rome an extract from Prague despatch No. 26 of February 3 in which Sir J. Addison reported a conversation with M. Benes. The latter had said that the establishment of a National Socialist régime in Austria was only a question of time, but that when it occurred Italy would send two army corps into Austria to support Dr. Dollfuss.

<sup>2</sup> See Volume V of this Series, No. 367.

<sup>3</sup> Not printed.

<sup>4</sup> See Volume V of this Series, No. 417.

<sup>5</sup> No. 222.

<sup>6</sup> Not printed.

and because it would clearly raise difficult questions relating to the interpretation of Article 16 of the Covenant. But may it not be said that paragraph 3 of Article 4 of the Treaty of Locarno contains the same difficulty? Whether or not such action would be taken would depend, in my view, on circumstances and on the general European political situation at the time; but there is no denying that, were a sudden German Nazi *coup de main* to take place, the immediate despatch of Italian troops over the Brenner would be seriously considered, and seems even likely. It is, however, comforting to reflect that the German Nazis themselves appear to have abandoned the idea of a 'Putsch', which, from their own point of view, would seem to be the height of folly.

4. I should add that Colonel Stevens considers that the present reports, taken together, show that the Italian preparations are still by no means complete; but I personally believe that the Italian Government will not shrink from strong action if they feel that this is demanded by the necessities of the situation, though they would probably wish to consult His Majesty's Government if time allowed.

I have, &c.,  
ERIC DRUMMOND.

ENCLOSURE 1 IN NO. 326.

*Dispositions of Italian Troops*

MEMORANDUM NO. 1

ROME, February 27, 1934

My Japanese colleague called this morning to make his farewells and to introduce his successor. At the end of a long conversation on general subjects, he gave me the following information:—

General Grazioli (Commander II<sup>nd</sup> Army, Bologna) has been instructed to prepare a headquarters for possible command of a force which may have to leave Italy. The force is to consist of the 9th Division from Verona, 10th from Padova, 17th from Ravenna, 16th from Bologna. The Brescia Division (without moving) is to pass under orders of the Bolzano Army Corps in replacement of the Verona Division.

2. Lieutenant-Colonel Sakai asked me if I could confirm this in any way. I replied that I had heard vague rumours of troops movements in the Bolzano Army Corps Area, but had no information such as he had given me. He mentioned casually that the above had come to him 'from indirect sources'.

3. I had to return the call of Colonel Pillow (American Military Attaché), and took the opportunity to 'check up'. Although he has been here for about six months, Colonel Pillow seemed to be rather vague both about the geography of the country and the distribution of the troops.

I told him the 'story', but he gave me no confirmation. I think he had heard more than he told me; but his reason for holding back may have been his lack of familiarity with the subject; and his staff had by then (1.15 p.m.) disappeared. He said he had heard rumours of troops movements in the

Bolzano area; that he had intended to send his assistant in his private aeroplane to look round, but that a crash had put the machine out of action; that he had heard that a corps was to be formed, comprising the two 'divisioni celeri', which are stationed at Udine and Bologna.

4. Mr. Murray heard a few days ago a society rumour that General Giubbilei, Commander, Bari Division, until recently 'Inspector of Truppe Celeri', was expecting shortly to become a Corps Commander.

#### *Comments*

5. I am unable to check any of the above from information in my possession. It would be unwise to call on my French or Yugoslav colleague. My Austrian colleague I have only met once, formally, but I shall be meeting him at dinner on Monday, the 5th March.

6. I am inclined to credit the combination of 3 and 4, i.e., the formation of a Corps of Truppe Celeri under General Giubbilei, who has obvious qualifications for that post, but *not*, in my opinion, for the accelerated promotion which command of an ordinary army corps would imply. But this might be an arrangement determined upon quite apart from present politico-military situation.

7. On the other hand, it may be the Divisione Celere (instead of the 16th) from Bologna which has been selected; in which case Giubbilei might command a 'mixed corps' as part of the 'force' under Grazioli.

8. Grazioli is a splendid choice.

H. S.,  
*Military Attaché.*

ENCLOSURE 2 IN No. 326

#### *Dispositions of Italian Troops*

MEMORANDUM No. 2

ROME, March 2, 1934

My endeavours to obtain confirmation of the news contained in my memorandum of the 27th February have been unsuccessful; but I was able to ascertain yesterday evening that Lieutenant-Colonel Sakai's 'indirect source' was the Yugoslav Military Attaché, Lieutenant-Colonel Popovitch. The latter is a well-balanced man, and, in a case of this sort, would not, I think, exaggerate to the point of inventing. Moreover, had he wished to carry out an active propaganda, he would have come to me direct; as doyen I am now particularly accessible.

My original impression therefore remains, namely, that the Italians have probably made 'paper' preparations, but little else.

2. Yesterday morning Captain Rahmi Bey, the Turkish Military Attaché, came to call. He asked me for certain details, which I was able to give him, and I took the opportunity of enquiring whether he had heard rumours of troop movements in the Bolzano area. His reply was to the following effect:—

'The regiments of five infantry divisions, which are not far from the

Austrian frontier, have been taking it in turn to carry out 'winter excursions' in that direction, and have carried out many long marches. They say that officers were recalled from leave for the purpose.'

He did not seem able to speak with greater precision, but I gathered that his information had not come from Lieutenant-Colonel Popovitch. He gave it as his opinion that the Italians had decided to send troops to Austria in the event of a Nazi invasion.

3. In discussing the reorganisation of Alpini troops, he said that, from an Italian officer, he had heard (unofficially) that Bolzano was the permanent station of the newly formed headquarters, 4th Alpini Brigade, as well as of the 4th Mountain Artillery Regiment and 5th Alpini Regiment. This confirms one's suppositions that the reorganisation had had the effect of taking troops away from the centre (Milano) and moving them towards the Austrian frontier.

H. S.,  
*Military Attaché.*

No. 327

*Sir P. Ramsay (Budapest) to Sir J. Simon (Received March 13)*

*No. 53 [R 1541/1287/3]*

BUDAPEST, *March 3, 1934*

Sir,

In obedience to the instructions conveyed to me in your telegram No. 7<sup>1</sup> of the 26th February, I have the honour to report, in so far as I am in a position to do so after only three months' residence in Budapest, on what appear to me to be the views of the Government and the state of public opinion in Hungary on the situation developing in the light of recent indications of a more active policy of Italy in Hungary and Austria. Before attempting to deal with so comprehensive a problem, I propose to mention certain facts and fundamental premises which govern the orientation of the Government's internal and external policy and influence public opinion. Without a proper setting it would be difficult to present a correct study of the situation as seen from here, and to follow its further development I am unavoidably obliged to recapitulate information already in the possession of the Foreign Office, but some preface is essential to bring the composition of facts and tendencies into proportion.

2. Taking public opinion first, it is important to understand that this term is almost a misnomer, or at least an exaggeration, when applied here in the sense in which it is used in countries with highly developed democratic

<sup>1</sup> Not printed. This telegram, addressed to Prague (No. 7), Budapest (No. 7), Bucharest (No. 15), Belgrade (No. 9) and Warsaw (No. 14), asked H.M. Representatives for a report on opinion in the countries concerned regarding the situation in Austria and the more active policy being pursued by Italy both there and in Hungary.

institutions, where public opinion is freely formed and rapidly finds expression, sometimes even in manifestations which may embarrass those who have the responsibilities of government. Any comparison of public opinion in Hungary with that in such countries as the United Kingdom, France or the United States of America would be quite misleading. Hungary is still organised on semi-feudal lines with a strong centralised system of government, which governs the people and is not governed by the people. The peasants, who form the bulk of the Hungarian population, are backward and ignorant and they are accustomed to take their opinions from those on whom they depend for almost everything. Such original thought as exists is to be found chiefly among the Jews, who are the most active and intelligent element in the country. They are about 7 per cent. of the population, but 90 per cent. of the country's business is in their hands. Their industry, superior intellect and their relative prosperity excite the jealousy of the upper and middle classes of Catholic Hungarians, and the latter have not forgotten the disorganisation and crimes they suffered during the brief spell of Communist Government, under Bela Kun, most of whose leaders and adherents were of Jewish race. The advent of Herr Hitler and the treatment of Jews in Germany by the National Socialists has not been without its influence in creating apprehensions among the Jews of Hungary, and inspiring anti-Semitic feeling among university students in Hungary. The interest of the Jews is to stand well with the powers that be, in order to make the most of the opportunities of enriching themselves. It cannot therefore be said that the Jews are free to give expression to their political imagination otherwise than in support of views acceptable to patriotic Hungarians. Moreover, although freedom of speech and press exists under the Constitution, the Government is its own judge of how far criticism is allowed to go. Internal politics are on a personal, rather than a party, political basis, and the country's foreign and economical policies are largely dictated by geographical situation and the limitations imposed on Hungary by the Treaty of Trianon and the present world economic conditions, and neither the Government nor public opinion are in a position by their own will and power alone to alter these conditions for the better. The main question is the grave problem of what external help is to be relied upon by Hungary to prevent the situation being altered by external developments for the worse. In this difficult matter public opinion is prepared to follow the Government's lead, though private persons may have their preferences. What is quite certain is that Hungary must have external support to survive, politically and economically. The above will suffice to explain that in this country public opinion may be regarded as dependent on, rather than independent of, the Government.

3. Government opinion on a developing situation must of necessity depend on its policy and may be judged by its reactions to current events. The whole foreign policy of Hungary, its Government and people may be summed up in the determination to bring about the revision of the Treaty of Trianon and to neglect nothing that could contribute to that end. No Government could conceivably succeed that of General Gömbös without putting revision in the

forefront of its programme. Revision is not only the established basis of the foreign policy of Hungary, it has become a sort of sacred cult of the people. Thus, every step that can be represented as furthering the sacred cause strengthens the position of General Gömbös's Government, and every attempt on the part of other States to check progress arouses public indignation in Hungary. Government and public opinion in Hungary may therefore be said to follow every incident and move in the field of foreign politics from the standpoint of whether it is likely to further or retard the sacred cause of the recovery of the lost provinces, or at any rate, such of them as contain a largely Hungarian population. As the Little Entente, and particularly MM. Benes and Titulescu, adopt a threatening attitude towards every suggestion of revision, it is naturally against them that public opinion is encouraged to direct its animosity, and consequently also against France, which is the ally of the Little Entente and the most rigid opponent of revision. England is regarded as an uncertain quantity. As regards the peace treaties, her Government is thought to be still under the influence of France, but great satisfaction is felt in Hungary at the progress made, especially among Members of Parliament, by the revisionist propaganda, and hopes are entertained that the time is not far off when His Majesty's Government will be obliged by public opinion to espouse the cause of revision and use her influence to change the hard heart of France. Signor Mussolini having been the first of the ex-enemy statesmen to adopt the policy of revision as being inevitable in principle, it is only natural that Italy should occupy a specially favoured position in Hungarian eyes. Hungarians have been accustomed to regard Germany as the heavyweight on the revisionist side, but the situation has been changed by the advent of Herr Hitler to power. The expansion of the National Socialist organisation beyond the frontiers of Germany has now begun to assume the character of a fresh pan-German advance against the forces of pan-Slavism in Europe. In so far as it might assist revision by crushing Czechoslovakia, this reappearance of the pan-German spectre is welcomed in Hungary, but, as one which strives at absorbing Austria and thereafter part at least of Hungary, it is a danger to Hungarian independence. The recent German *rapprochement* with Poland came as a shock to Hungarians, because it was interpreted as an indication that Germany was abandoning the cause of revision, at least for ten years, for the sake of pan-German expansion to the south. The Hungarian revisionists are painfully aware that they cannot afford to wait so long as ten years for the revision of the Treaty of Trianon, because by that time the Hungarian minorities within the borders of the Little Entente will be so reduced in numbers and vitality by the oppressive measures of their masters as to compromise the success of any conference or plebiscite. The great problem which is constantly before the Hungarian Government is whether it is safe to stake all hope of revision on Germany or Italy, and if so on which of the two. I believe that the correct interpretation of the policy of the Regent, the Government and most well-informed Hungarians is that they do not think it is safe to stake the destiny of Hungary on either Germany or Italy. Germany with its huge population and powerful militaristic organisation, inspires



considerable respect, but also deep apprehension. She is already threatening Austria, which has for centuries been closely connected, if not always on the best of terms, with Hungary. To stake all on Germany would involve isolation from the rest of the civilised world with a prospect of eventual loss of independence, or even absorption by the great Nordic machine, which the Hungarians could never hope to eject by themselves. From the point of view of revision, the last state would be worse than the first. To join Germany, in fact, would lead, in the end, to the last phase in the history of Hungary as a nation. The Military Attaché informs me that some of the senior military officers are persuaded that Germany will emerge as the dominating Power in the end, and are therefore in favour of casting in the lot of Hungary with Germany in good time so as to obtain the most favourable terms. They have a small opinion of the military power of Italy, and they doubt whether, if it came to serious trouble, that country is to be trusted as an ally. I do not know how far the Government share that opinion of the Italians, but they appear to me to be very reluctant to offend or break with Germany. I think they are not convinced of the durability of the Hitler régime, which depends on its ability to solve grave German social and economic problems. In the meantime, anything which serves to advertise the cause of revision is to be exploited for what it is worth. The more friends the better. Italy, among the allied Powers, has opened the door to revision, England is coming towards it, and before long the two of them might prevail upon France to abandon her rigid opposition to the cause of Hungary, and her support of the Little Entente. The initiative of Italy is a lead to follow, but not up to the point of breaking with Germany, which in any case, is not the present object of Italy. After all it is difficult to decide between hopes and fears in the abstract, and I believe that the Hungarian Government feel that there is as yet no need to take the plunge. Such are the political considerations as regards Hungary and the great Powers, which should, I think, be borne in mind in examining the state of Hungarian Government and public opinion on the situation now developing in Central Europe, with special reference to the symptoms of a more active policy on the part of Italy.

4. The reactions of Hungary to recent events are interesting. I noticed that some Hungarians could hardly contain their satisfaction at the supposed loss of prestige incurred by France over the Stavisky scandals and the disorders arising therefrom. France is regarded as the villain of Trianon and as being hand in glove with MM. Benes and Titulescu. Any weakening of France undermines the political and military strength of the Little Entente anti-revision *bloc*. The only member of the group for which Hungary has any respect is Yugoslavia, because of her military strength. The Minister for Foreign Affairs has suggested to me that Yugoslavia is inclined to favour German penetration into Austria as a protection against Italian attack through Austrian territory: the famous flanking movement. Hungarians, in conversation, seem to ignore the fact that their capital is at the mercy of Czech aeroplanes. The Government are, of course, alive to this uncomfortable fact, and their official references to revision are accompanied by the

adjective 'peaceful', but they have said so much about revision at the expense of Czechoslovakia that they can hardly be expected to moderate the attitude of press propagandists. What rankles with the Hungarians is to see the Czechs in occupation of Hungarian territory and oppressing a Hungarian population when they never defeated the Hungarians but only deserted them in battle. The steady decline of industrial prosperity in Czechoslovakia and her apparent failure to arrange a satisfactory economic *bloc* with the other Little Entente States, notably Yugoslavia, are followed here with satisfaction. The devaluation of the Czech currency is regarded not merely as a mistake but as a sign of economic disintegration. The signature of the Balkan pact<sup>2</sup> without Bulgaria was hailed as the defeat of another anti-revisionist plot and a relative success for Italy. M. Venizelos's protests against the pact are reproduced in the Hungarian press, and his references to Italy are not without influence on Hungarians who do not perhaps sufficiently appreciate that his policy is to keep out of any great Power entanglements, especially in opposition to Italy, and not to further the cause of revision.

5. The precarious political and economic situation in Austria is a matter of great concern to the Hungarian Government and public. It is realised that Hungary cannot alone do much more than sympathise with Austria owing to her own political weakness and economic distress. The attitude of the Government towards the political issue is to regard it as a problem for the solution of which the allied great Powers are responsible as being the authors of the peace treaties which they dictated for their own political and military ends. Economically, the Hungarian Government have done what they can for Austria by concluding their 1 to 1.5 commercial agreement, but the fortnightly adjustment conferences reveal the fact that Hungary cannot take up the full quota of Austrian goods largely on account of the new Hungarian industries established since the war with the encouragement of the Government, and that Austria, on account of Dr. Dollfuss's agricultural policy, cannot take more Hungarian wheat. The agricultural problem of Hungary always comes back to the low world price of wheat, and no alleviating make-shifts with small neighbours can remedy the depression, and from conversations with my Austrian colleague, who is an economic expert, I think the competent authorities and interested circles of both countries are fully alive to these hard facts. If any remedy can be found it can only be with the help and to a certain extent at the expense of some other greater Power or Powers. The fresh initiative of Italy and her interest in the economic welfare of Austria and Hungary are hailed here with sympathy, interest and doubt. To begin with, all international discussion of the situation of Hungary and Austria brings grist to the revisionist mills, and General Gömbös, for internal political reasons, is not averse to lime-light. France and the Little Entente rejected 'Anschluss' and the customs union of Austria and Germany. In the absence of any more comprehensive plan for effecting economic recovery, it is hoped

<sup>2</sup> A pact was signed on February 9, 1934, by Greece, Roumania, Turkey and Yugoslavia mutually guaranteeing their respective Balkan frontiers. The text is printed in *British and Foreign State Papers*, vol. 137, pp. 496-9.

that some improvement may be achieved in the economic situation of Hungary and Austria under the auspices of Italy. Something on the lines of Stresa,<sup>3</sup> involving a system of preferences, is the idea, and it is naturally assumed that great Powers responsible for the setting up of uneconomic frontiers could not be so ungenerous as to object to waiving their strict rights under the most-favoured-nation clauses of their commercial treaties, especially as the volume of their trade would be only slightly affected. The report that Dr. Suvich was offering facilities for the establishment of Austrian and Hungarian free ports at Trieste was received here with interest, partly because severance from the Mediterranean is a sore point with Hungary. The prospect of being able to run goods and, perhaps in time of need, war material over Italian and Austrian lines without having to pass through Little Entente territory is soothing to Hungarian pride. I gather from Baron de Henet (Austrian Minister) that the scheme is full of technical difficulties; railway transport from Trieste to Budapest via Austria involves a detour of some 150 kilom., and special rates will reduce the advantage to Austrian railways; and it is quite possible that, when the costs of running a free port have been gone into, it will be found that the proceeds would not justify the initial capital expenditure and cost of maintenance; but these are technical questions which it will be the duty of experts to solve. The public only see in such a scheme a welcome breach in the stranglehold of the Little Entente, and Hungarian patriots rejoice at the reactions of their press.

6. Before the visit to Budapest of the Austrian Chancellor I think most observant Hungarians, including the Minister for Foreign Affairs, were of the opinion that it was only a matter of time, and perhaps a very short time, before Austria would succumb to the growing pressure of the National Socialists and they feared that it would then soon be Hungary's turn. But Dr. Dollfuss made an impression here out of all proportion to his minute physique. If the public were amused by all sorts of feeble jokes at the expense of his person, they also heard of a certain 'Dollfuss trench' on the Italian front which he had defended for months with determination and success. Those who came in contact with him found that behind the almost puerile expression of his face that little man concealed not only moral courage, but a high degree of political sense. His firm hand in dealing with 'Red Vienna' met with the approval of the Government and of the Hungarian public still mindful of the methods of the Red régime here. The Liberal and Social Democratic elements, however, sympathised with their fellows in Vienna, but being 'Opposition' their press was very guarded in comments and mostly contented itself with reproducing sensational news from Paris and London about the use of artillery against the dwellings of the poor. The military element alive to the consequences of attacking without adequate artillery preparation positions defended with rifles and machine guns regarded the foreign comments as inspired by ignorance or party political bias. Nothing succeeds like success.

<sup>3</sup> The Stresa Conference in September 1932 recommended the granting of preferences in bilateral treaties and financial contributions to a special fund in order to improve the price of cereals in Central and Eastern Europe.

When the first news came of fighting at Vienna, Linz and other towns in Austria both Government and public were alarmed and they were very glad to be relieved of the possible consequences of the failure of the Dollfuss Government to dominate the situation, and that the opportunity had not been taken for a National Socialist 'Putsch'. The Minister for Foreign Affairs feared that armed intervention by Italy would be answered by armed intervention from Yugoslavia and soon lead to a general conflagration involving Hungary. Rightly or wrongly the firm attitude of Dr. Dollfuss, Major Fey and Prince Starhemberg in dealing with the Socialist Municipality of Vienna was attributed to advice alleged to have been tendered by Signor Suvich on his last visit to Vienna. Considerable and anxious speculation occupied the Government and public here as to the development of the internal situation in Austria after these sensational events. It was thought that though Dr. Dollfuss had achieved a temporary success and enhanced his prestige abroad he would now have to give way to the views of Major Fey and Prince Starhemberg, and that the Social Democrats would join the Heimwehr and work for the fall of Dr. Dollfuss. It was generally accepted that the violent suppression of the Social Democrats and the reactions of public opinion in England and France would make it impossible for Dr. Dollfuss to proceed with his plan of appeal to the League of Nations against Germany on a charge of interference in the internal affairs of Austria. This prospect was a great relief to the Government here, because, although they sympathised with the Dollfuss Government over German propaganda subversive of Austria's sovereignty, it was difficult to see how the Hungarian representative at Geneva could sit with those of France, Italy and Great Britain to discuss and presumably condemn the activities of German National Socialist propagandists without offending Germany. I fancy this is what M. de Kánya had in mind when he indicated to me that appeal to the League would not help Austria and would only expose the League of Nations to another exhibition of impotence. The most was made of the discoveries of Czech arms in the Social Democrat quarters in Vienna, and it was hinted that the Czech General Staff was involved with the Viennese Social Democrats. The declaration of the United Kingdom, French and Italian Governments was well received in Hungary as being an important contribution to the cause of peace in Central Europe, but some doubt was expressed as to the value of England's declaration when it was clearly interpreted [*sic*] in England as not involving her in any more continental commitments.

7. Full publicity was given in Hungary to the sensational rumours in the foreign press about an impending Habsburg restoration in Austria. As far as I could ascertain there was some curiosity, more scepticism and no enthusiasm in Hungary. It is accepted here that the question is not actual, and I am inclined to doubt whether any well-informed person took the rumours seriously. In any case any doubts have, for at least the time being, been disposed of by *démentis* from abroad and by statements made by Dr. Dollfuss, Prince Starhemberg and Major Fey. The report that Czechoslovakia would rather see a Nazi victory in Austria than the return of a Habsburg was

commented on as 'typical of Czech mentality'. It was even suggested that the rumours of the impending return to Austria of the Archduke Otto were put about at the instance of the French Government as a snub for M. Benes for assuming the tone of the spokesman of a great Power and speaking in the name of France without her consent. From a Hungarian point of view I am informed that the return of a Habsburg King to a truncated Hungary is out of the question, as he could not by his return enable Hungary to recapture the lost provinces. It would have to be preceded by a revision. Except for a few aristocrats who possess no political influence and a few officers who would not risk the life of a single soldier for their monarchical principles, I believe the general public are indifferent to the Habsburgs. At any rate for the present they seem to be satisfied with their Regent and his charitable wife.

8. The visits of Dr. Dollfuss and Signor Suvich were well timed to secure effect here, coming as they did respectively just before and just after the sensational events in Austria at moments when the situation seemed full of doubts and fears. There seems to be no doubt that during Signor Suvich's visit here a general exchange of ideas took place between him and General Gömbös on political as well as economic subjects, and there is considerable speculation as to the political and economic significance to be attached to the projected joint visit of Dr. Dollfuss and General Gömbös to Rome, which was apparently arranged during Signor Suvich's visit here and on his return journey at Vienna. My Austrian colleague told me that he was not present at any of Signor Suvich's conversations here and that he only talked with him for ten minutes after a dinner at the Italian Legation. He said all he knew of the results of his visit was that it was decided to send Austrian and Hungarian experts to Rome to prepare for the visits of General Gömbös and Dr. Dollfuss. Baron de Henne, who is an expert on Austrian and Hungarian commercial and economic questions, thinks that the Dollfuss agrarian policy and Signor Mussolini's 'wheat victory' will make it extremely difficult to work out any scheme of sufficient scope to bring about any appreciable improvement in the depressed economic condition of Austria and Hungary. Hungarian agriculture suffers from the low world price of wheat and the Austrians offer only unremunerative prices for Hungarian flour, and the Italians do not want it unless to dump elsewhere. The Hungarian Government have a scheme for establishing control of local market prices by means of a monopoly of flour mills, but it presents difficulties and is likely to expose the Government to criticisms from some of the interests concerned. There is also the fact that Hungary has encouraged a number of industries, notably textiles, since the war, whose existence would not be justified but for the present abnormal restrictions on trade and transfers. The consequence is that Hungary cannot even carry out to the full her part of the present adjustable trade agreement with Austria. She has no more markets to offer for industrial products and no one will take her wheat. Baron de Henne did not seem to me to be very sanguine of anything important resulting from the Rome negotiations in the economic sphere. He is sceptical of the Trieste free port plans as a business proposition, and the most he hopes for is some slight

alleviation resulting from a system of preferences on Stresa lines. Any intention of forming an economic *bloc* or customs union of Italy, Austria and Hungary has been denied here. There remains the political aspect of the visit. As reported in my despatch No. 48,<sup>4</sup> of the 27th February, the Minister for Foreign Affairs volunteered some information during the conversation I had with him on the day before I received your telegram. He then denied any intention of forming a political *bloc* of Italy–Austria–Hungary directed against the Little Entente, and General Gömbös has just said the same in an interview to the ‘Daily Telegraph’ quoted in the newspapers here on the 3rd March, in which he referred to conversations on Stresa lines for practical objects. It would seem inconceivable that General Gömbös should enter into any important political negotiations without taking his Minister for Foreign Affairs with him. M. de Kánya told me he saw no use in his going to Rome as he was not an economic expert. This would appear to indicate that there will be no epoch-making political negotiations. No doubt a press atmosphere will be worked up as it tends to advertise the parlous state of Austria and Hungary and the urgent necessity of the revision of the peace treaties, which also has the merit in local opinion of adding to the nervousness of the Little Entente. As I understand it, Dr. Dollfuss and General Gömbös are out for as much mutual understanding and co-operation as possible economically and politically without entering into any embarrassing engagements, such as *blocs*, treaties and alliances, which might cramp their freedom of action later on and would certainly indispose Germany. Thus, while the press will be able to announce the success of the triangular conversations at Rome, where Signor Mussolini, Dr. Dollfuss and General Gömbös will doubtless reach the usual ‘complete understanding on all the current political problems of the day’, M. de Kánya will be able to assure Herr von Mackensen that General Gömbös has not committed Hungary politically to an Italian orientation. There will merely be a very complicated effort on the part of Italy to make a show of assisting Austria and Hungary economically and another grand opportunity of airing the revision aspirations of Hungary. Any other more important political result would mean that the Hungarian Government have made up their mind as to the future development of internal affairs in Germany, which I am convinced is not yet the case. Whether Signor Mussolini is out for anything more than advertisement I am not in a position to say.

9. I have transmitted copies of this despatch to His Majesty’s Ambassadors at Paris, Rome and Berlin, and His Majesty’s Minister at Vienna.

I have, &c.,

PATRICK RAMSAY

<sup>4</sup> Not printed.

*Sir J. Addison (Prague) to Sir J. Simon (Received March 13)**No. 43 [R 1545/1287/3]*

PRAGUE, March 3, 1934

Sir,

In accordance with the instructions contained in your telegram No. 7<sup>1</sup> of the 26th ultimo, I have the honour to submit a report upon the state of public and governmental opinion on the situation now developing in regard to Austria and the policy which Italy is pursuing with reference to the Austrian problem.

2. I desire to preface my remarks by a repetition of the obvious observation that the situation of Czechoslovakia, in respect both of Austria and of other problems of foreign policy, is static, that is to say, that it is dependent upon events outside and upon the policies of other countries and cannot possibly be altered by any action taken by the Czechoslovak Government alone and of their own free will. It is largely for this reason that the opinions held in Czechoslovakia are of such little account, except in so far as they may influence other countries, and in particular France, to adopt a certain policy.

3. The attitude of the Government, as I have indicated in previous despatches, would appear to be the following. Those charged with the conduct of foreign policy are—to quote the concluding words of my despatch No. 168<sup>2</sup> of the 11th November last—‘nervous and apprehensive of what the future has in store for them’. They have existed, ever since the foundation of the Czechoslovak State, on the comfortable assumption that conditions in Europe would not change and that the Little Entente, under the guidance of their country and relying upon the powerful support of France and the benevolent assistance of Poland, could continue, as far as human prevision could foresee, to dictate policy in this part of the world and, in any case, was secure from any danger resulting from events in other countries or the policy of one, or more, of the great Powers.

4. During the last four years I have seen the gradual decay of this feeling of security owing to extraneous events. It required no political genius to note the progressive deterioration of the position of this country in regard to foreign problems. The rise of Germany to power, the march of events in Austria, the increasing activity of Italy, all pointed in the same direction. Now the situation is at last hopeless, but it had been clear for some time that this would be the inevitable end.

5. Although it may reasonably be contended that there has been but little foresight and wisdom in anticipating and attempting to forestall that which has occurred and is occurring, it must, in fairness to Dr. Benes, be acknowledged that it is difficult to see what he could have done. Ever since I have been here, I have had the honour to indicate that the position of Czechoslovakia was exceedingly delicate and that she could not depart from her traditional attitude without endangering the whole fabric of the Czecho-

<sup>1</sup> Not printed. See No. 327, note 1.<sup>2</sup> See Annex to No. 83, note 3.

slovak State and the existence of Czechoslovakia as an independent country. Artificiality requires artificial assistance if it is to be maintained, and no one with any sense of observation could fail to observe the extremely difficult situation in which this country is placed by the very nature of things—awkward boundaries, a powerful neighbour on three sides which desires her destruction, two more neighbours which dislike her cordially and have the same desire, and extensive land frontiers inhabited, in the main, by fellow-citizens who are, whether rightly or wrongly, intensively disloyal and wish for nothing better than the disappearance of this State as at present conceived.

6. Now to an English mind, arguing on English analogies, it might occur to object that the present state of tension might have been avoided by the adoption of a wise policy of conciliation towards the minorities within the national borders and by an equally wise policy of co-operation with and assistance to Austria. Speculations on this subject are, however, of no practical value at the present time. If Louis XVI had not ordered the Swiss Guard on the 10th August to '*déposer leurs armes et de se retirer dans leurs casernes*', if Bouillé had not waited round the corner with his dragoons while the same King was being arrested a few hundred yards away by an inn-keeper and the son of a postmaster, if Charles I had won the battle of Naseby, and if many more 'ifs' the course of history might have been changed on several historical occasions. To the realist the fact remains that Czechoslovakia has not conciliated her minorities, and that she has not composed her difficulties with Austria or sought to draw that country into the condition once described by the late Earl Balfour as one of 'warm unclouded friendship and co-operation'.

7. In justice to this Government I must repeat the opinion which I expressed on various occasions in the past, that the Czechoslovak Government could not have adopted a policy widely different from the one which they have pursued without endangering the existence of the State as at present constituted. A proper treatment of the minorities would, by the mere force of things, have entailed the disappearance of the Czech minority rule, which is the very basis of the fabric, while a conciliatory policy towards Austria, assuming such to have been possible, would, by the necessary accompaniment of freedom of intercourse, have led to Austro-German predominance.

8. Shortly after my arrival here in 1930 I had a long conversation with Dr. Benes, the main gist of which I reported at the time. With astonishing frankness His Excellency, who had already admitted that the 'land reform' was mainly devised to deprive of influence and power the German leaders in this country, pointed out to me that he could neither permit the 'Anschluss' nor make a real agreement of co-operation with Austria, as in either case the end would be the disappearance of Czechoslovakia as at present constituted. In expressing this opinion Dr. Benes was merely giving utterance to what appears to me to be an obvious statement. Czechoslovakia cannot afford to bring in Austria. She can equally not afford to allow Austria to be permanently attached to any other powerful combination. Thus we have for some years been witnessing attempts to solve an insoluble problem in which



sincerity has played but a small part. Publicly the Czechoslovak Minister for Foreign Affairs has been obliged to proclaim his desire to assist and has even frequently said that he was going to do something, explaining that this something would partake of the nature of closer economic co-operation. Privately he knows, and if he does not know he is soon reminded, that all such schemes are doomed to failure and he has not therefore even courted such failure by pursuing the matter further. This is not the place to expand upon a subject of such complexity, but it has only to be mentioned that during the last few years various plans for the economic reconstruction of the Danubian Basin have been put forward, none of which even had the faintest chance of being acceptable to all concerned or the slightest prospect of success, even if adopted, in order to realise how impossible of solution the problem has become.

9. What is called the 'Mussolini' plan appears to me, with slight differences, to consist merely in a repetition of recommendations which have already been proved to be incapable of furnishing an adequate remedy. It should, I presume, therefore be concluded that some other motive than the purely unselfish desire to help must be the mainspring of Italian action, but this is a subject which lies outside my province. I merely wished to stress the point that it is difficult to see what Czechoslovakia could have done, if she wished to remain, somehow, as she is and, therefore, that her Government are not altogether to blame for the present unfortunate state of affairs. Be that as it may, Dr. Benes is now faced with alternatives, any one of which is equally disagreeable. Without touching on matters which do not concern me, I presume that it is now an accepted fact that Austria cannot continue in her present condition. If this be granted, then there are but two alternatives:—

- (1) A close economic union with Germany, or whatever other expression can apply to what would eventually amount to the 'Anschluss'.
- (2) A union, political and economic, between Austria and Hungary under the ægis and with the assistance of Italy.

10. Either of these alternatives is equally disastrous to Czechoslovakia. I venture to submit that the close union of Austria and Germany is only a matter of time and that no power on earth can now prevent it. I agree with the opinion expressed by the Italian Ambassador in Berlin, as reported in Sir E. Drummond's telegram No. 43<sup>3</sup> of the 6th ultimo, that 'Germany considers that she can afford to refrain from any violent action, since the pear is nearly ripe and when fully so will fall quickly<sup>4</sup> into Nazi lap'. There are numerous indications that this opinion is shared in governmental circles here. But this being granted, then at once arises the inevitable sequel. Again I would quote with approval the statement made by Signor Cerruti to Sir Eric Phipps, and reported in Berlin telegram No. 30 Saving<sup>3</sup> of the 7th ultimo, that 'once Germany has swallowed up Austria she will then quickly turn her attention to German population of Czechoslovakia, and will then, in some years' time, number close on 80 million in Central Europe'. In short, Signor

<sup>3</sup> Not printed.

<sup>4</sup> This word read 'quietly' in the text of the telegram received in the Foreign Office.

Cerruti thinks that the 'Anschluss' is inevitable, and will undoubtedly lead, in time, to a break-up of this country. I share this opinion, and so far as I can gather, the danger is both understood and feared here.

11. The latest Italian moves and pronouncements have at least had the merit of placing the problem, with its dual possibility, in a true light, of making that which was blurred by controversy clear in outline and obvious in shape. In short, it is fully realised that Czechoslovakia is in a very uncomfortable position, since it is becoming increasingly clear to all concerned that any practical solution is fraught with disagreeable consequences to this country and that she can, in fact, do nothing to avert the disaster, except appeal to France, whose support is more likely to be moral than material.

12. The sentiments on this subject partake of the nature of panic and, as always in moments of mental distress, the condition of mind is revealed in contradictory statements. At one moment Dr. Benes tells me that he has nothing to fear from Germany whatever should happen, but, later, he will declare that he cannot 'allow' the 'Anschluss', for it would be fatal to Czechoslovakia. Lately he stated to me, with approval, as reported in my despatch No. 26<sup>5</sup> of the 3rd ultimo, that if Nazidom were established in Austria, Italy would send troops into Austria. On the other hand, his immediate subordinate, Dr. Krofta (please see my despatch No. 37<sup>6</sup> of the 17th ultimo), has declared that the rumours of Italian intervention were 'without foundation'.

13. At the same moment that Dr. Krofta was telling the Foreign Affairs Committee of the Chamber of Deputies that the rumours that the Czechoslovak Government intended to send troops to Austria was [*sic*] 'so fantastic that they required no denial', Dr. Benes was apparently informing the Quai d'Orsay (please see Lord Tyrrell's telegram No. 55 Saving,<sup>7</sup> of the 17th ultimo) that 'an incursion of Italian troops into Austria would be followed by the immediate entry of Czechoslovak troops'.

14. It is no doubt true that each of these pronouncements, taken separately, can be explained away, but taken collectively and in conjunction with many others which are daily being made to all sorts of persons, my foreign colleagues, press representatives and others, they bear witness to a state of mind which can only find its origin in fear and the realisation that nothing can be done to avert the danger.

15. The confusion, nervousness and anxiety prevailing in governmental circles are reflected in such manifestations of thought as can be described as 'public opinion'. This is a term which has little meaning in this country, at any rate so far as the problems of foreign policy are concerned. It must, in the first place, be remembered that by 'public opinion' we mean 'Czech' public opinion, and that this, in turn, only connotes the thoughts and ideas, expressed or suppressed, of a small minority of the professional classes belonging to the Czech minority. The opinion of the remainder, Germans, Hungarians, Poles, sub-Carpathian Russians, and probably even Slovaks, can—without the necessity of making any enquiry—safely be described as pure and unadulterated 'Schadenfreude'.

<sup>5</sup> Not printed. See No. 326, note 1.

<sup>6</sup> Not printed.

<sup>7</sup> No. 292.

16. The German minority, for instance, to judge from what I can observe and from what I have heard, is clearly delighted. It is true that Dr. Krofta informed me in conversation the other day that the Nazi movement had decided the Germans in Czechoslovakia to make common cause with the Czechs, but he failed to add that his opinion was based upon the statements of a few prominent Jewish industrialists and was therefore quite worthless.

17. The small 'intellectual' minority of the Czechs, defined above as constituting the only public opinion which *a priori* should think without bias, is, I am informed by competent observers, in the same state of nervousness as that from which the Government and their supporters are suffering. The men or women who sit for hours in cafés, reading innumerable newspapers or discuss these questions until the small hours of the morning, are all giving utterance to the same thought and to the same feeling of despair, namely, that 'things look very bad', and 'we don't quite see what we can do and what is to happen to us'.

18. The unfortunate fact for this country is that this opinion and this sentiment constitute, it would seem, an accurate diagnosis of the problem. The situation is unpleasant and the Czech ruling caste can, in fact, do nothing to alter it of its own volition. It appears, consequently, to be at last realised that assistance can only come from outside, and this realisation has led to another disquieting suspicion that, in fact, such assistance will not be forthcoming in the only form in which it could be of any use, namely, the threat or use of force in order to maintain a *status quo* which is so essential to the continued existence of Czechoslovakia as an independent sovereign Power governed by Czechs for Czechs.

I have, &c.,

JOSEPH ADDISON

No. 329

*Lord Tyrrell (Paris) to Sir J. Simon (Received March 6)*

*No. 73 Saving: Telegraphic [W 2225/1/98]*

PARIS, March 5, 1934

Following is my appreciation of the present position here in the matter of disarmament. The French Ministers were sincere when they told Mr. Eden that the Government had been unable to give its attention to disarmament. It has had its hands more than full with internal situation. Stavisky scandal has even wider ramifications than was supposed: it must be cleared up promptly and drastically if Government is to retain confidence of its supporters and avoid recrudescence of disorders. Notwithstanding substantial majorities which it has hitherto obtained in the Chamber, present Government has no real backing either in Parliament or the country and depends mainly on the personal prestige of M. Doumergue. Until it has made good, it cannot afford to antagonise any appreciable section of public opinion.

2. In referring disarmament question to the Council of National Defence it doubtless hopes both to win the approval of all who will be impressed by the finding of this august body and to take the wind out of the sails of any who may be disposed to criticise. It is difficult to forecast what the finding of the Council will be. It can hardly fail to be influenced by the views of General Weygand, who, in common with many others (including members of the present Government) holds that any agreement with Germany would be against the interests of France as she would faithfully observe it whereas Germany would not; and that consequently if Germany is going to rearm, as she intends in any event to do, it is better that she should rearm in open defiance of her obligations and that France should retain complete liberty of action. On the other hand the chiefs of staff are themselves divided: I am told on good authority that the Air Ministry are in favour of a convention. It looks therefore as though there would be no unanimity in the Council of National Defence.

3. Consequently, unless the advocates of no convention at any price completely carry the day (which is possible but not probable) the communication promised by the French Government will most likely take the form of a mild blessing of the United Kingdom memorandum accompanied by criticisms of certain of its features (particularly the inadequacy of the guarantees of execution) together with a request for certain further explanations.

4. A temporising reply on these lines seems to me that which one would expect from a Government which is divided within itself on the question at issue and whose weak position must incline it to put off the day when it must take a final decision.

5. As to the ultimate outcome, it is difficult in present circumstances to make any forecast. The only thing which becomes increasingly certain is the reluctance of this country to sign any convention sanctioning German rearmament, particularly if combined with French disarmament, without some more positive guarantee of execution than His Majesty's Government have hitherto been willing to subscribe to. The general view here is that if we wish France to put her faith in German assurances we must fully share the risk of those assurances proving to be a snare and a delusion.

No. 330

*Sir J. Simon to Sir R. Lindsay (Washington)*

*No. 205 [W 2243/82/98]*

FOREIGN OFFICE, *March 5, 1934*

Sir,

Mr. Bingham saw me this afternoon at the House of Commons on his return from the United States and we had a general talk, in the course of which he referred to the demand for parity which Japan might be expected to make at the approaching Naval Conference. The demand was inadmissible

and unreasonable, for whereas Britain had all the oceans of the world to look after and the United States had its responsibilities in two of them, Japan had no duties save in a portion of one ocean. The American Government could not agree to Japanese parity, and urged that the demand could be successfully resisted if the United States and ourselves acted together in the matter. By joint action the Ambassador explained that he meant that, if we both refused to agree, he thought that Japan would drop the demand sooner than that there should be unlimited further building by us both without agreement.

2. The Ambassador went on to urge that the present situation was one in which a policy of co-operation between the United States and ourselves for promoting the peace of the world, or at any rate for limiting the area of conflict if conflict broke out, was worthy of special consideration. He realised that we might be chary of taking suggestions of American co-operation at their face value, for the United States, after promoting the League of Nations, had refused to join it, and after urging the creation of a world court had never acceded to its jurisdiction. But the Administration of President Roosevelt was in an extraordinarily strong position. Instead of losing ground after the exercise of his all too extensive patronage, the President had consolidated his position yet further, and in all American history there had never been such a solid backing as he was receiving, even from Congress.

3. I observed that all this was very encouraging for the purposes which the Ambassador had mentioned, and the close personal relations between the Prime Minister and the President were a further link. A year ago we had endeavoured, in Part I of the Draft Convention at Geneva, to provide for a consultative pact to come into operation on threat of breach of the Kellogg Pact; but at that time Mr. Norman Davis had been instructed to say that the United States could not sign such a consultative pact, though we had drawn our articles with Mr. Stimson's declaration prominently before us. The Ambassador said that the reserves of a year ago were natural, as the new President was only just coming into office, and hinted that they did not necessarily represent the last word. Moreover, he emphasised that the agreement then suggested would be multilateral and intended to be accepted by all the States at Geneva, whereas his present observations were directed to the idea of special Anglo-American co-operation.

4. I took advantage of the Ambassador's reference to the approaching Naval Conference to point out to him that the provisions of the London Naval Treaty for scrapping during the year 1935 were entered into in contemplation of the negotiation of a further naval treaty in that year. Otherwise, the absurd situation would arise that we should be expected to scrap ships during the last year of the existing treaty, while being perfectly free to build without restriction newer vessels in substitution, as soon as the 1st January 1937, arrived. Such consequences could not have been contemplated when the treaty was negotiated, and this was one of the reasons why we desired so earnestly to get on with the work of preparing a further treaty as soon as possible.

I am, &c.,

JOHN SIMON

*Sir N. Henderson (Belgrade) to Sir J. Simon (Received March 13)*

*No. 50 [R 1544/1287/3]*

BELGRADE, March 5, 1934

Sir,

You were good enough to request me, in your telegram addressed to Prague, No. 7<sup>1</sup> of the 26th ultimo, to furnish you with a report on the views of the Yugoslav Government and on public feeling generally in this country in regard to Italian activities in Austria and Hungary.

2. Italian activities anywhere are regarded in this country with distrust and suspicion, and in Central Europe with grave anxiety.

3. It is, I think, fair to say that a dictatorship has this advantage; that it tends to a stable and consistent foreign policy. Yugoslavia's foreign policy is based upon one predominant consideration: the necessity for peace abroad in order to consolidate at home her extensive gains acquired under the peace treaties. Every other question is subordinate to this major objective. Italy is regarded as the one great Power whose policy it is to disrupt Yugoslavia. Italy is, consequently, the enemy and will continue to be so, so long as she continues to pursue or to believe in the possibility of the realisation of that policy.

4. The quarter from which Yugoslavia's stability and unity can most easily be endangered is the north, and particularly Hungary, which borders on the Catholic and most disaffected areas of the Yugoslav Kingdom, namely Slovenia and Croatia. The present machinations of the main enemy in Hungary and Austria consequently cause her special preoccupation, which is shared by public opinion and Government alike.

5. Three contingencies in Central Europe are of peculiar interest to Yugoslavia: the 'Anschluss', a Habsburg restoration, and treaty revision. To all three of these she is definitely opposed, but in different degrees.

6. To take the 'Anschluss' first. Yugoslavia would prevent it if she could; not because she is alarmed at the prospect of German predominance in Central Europe leading to the renewal of a material and forcible 'Drang nach Osten', which she is inclined to regard as highly improbable and distinctly remote; but because, firstly, she fears lest it may prejudice the position or even the independence of Czechoslovakia, her partner in the Little Entente, and, secondly, because she realises that a greater Germany will necessarily restrict Yugoslavia's own complete liberty of action and place her in a position of at least economic subordination.

7. Nevertheless, the King and the Minister for Foreign Affairs are at heart convinced that, sooner or later, the 'Anschluss' in some form is inevitable, that nothing Yugoslavia can do will prevent it, and that consequently it is better to discount its consequences. Now that Italy has taken the field in Austria, Germany is regarded as decidedly the 'lesser' of two evils, and, indeed, almost ceases to be an evil. As M. Jevtitch has stated to me: 'If it

<sup>1</sup> Not printed. See No. 327, note 1.

becomes a choice between Italy and Germany, there is no question at all as to which we would prefer. Germany recognises Yugoslavia, and would be willing to work with us.'

8. Thus, in the event of Nazi action in Austria, even from without, but certainly from within, Yugoslavia's inclination, particularly since Italy's latest move, would be non-committal. Of her own volition she would probably prefer to take no action at all, but, as a member of the League of Nations, she would be guided by the decisions of France and Great Britain. If Czechoslovakia were involved, she would, as her ally, endeavour to confine her own action to the prevention of any move on the part of Hungary.

9. On the other hand, in the event of active intervention by Italy in Austria, Yugoslavia would certainly mobilise on her northern frontiers, as a measure of precaution and lest Hungary be thereby encouraged to try and upset the existing position in Croatia in connexion with some trumped-up revolutionary scare like that of the Lika in 1932.<sup>2</sup>

10. The second question now raised by Italian activities in Vienna and Budapest is that of a Habsburg restoration. Some years ago M. Marinkovitch, who was then Minister for Foreign Affairs, and who was more apprehensive of the German danger than are the present directors of Yugoslav foreign policy, told me that he regarded the 'Anschluss' as primarily a matter for the great Powers, but the Habsburgs as a direct concern of the Little Entente. This standpoint still holds good, and when I asked M. Jevtitch the other day what Yugoslavia would do in the event of such a restoration becoming a question of actuality, his answer was that she would be obliged to protect herself ('Nous serions obligés à nous défendre'). He was not more explicit, probably because the measures which the Little Entente would feel compelled to take would certainly depend on the support and advice which would be forthcoming from France and England. My impression is, however, that Yugoslavia herself would submit even to a restoration if her allies of the Little Entente allowed her to do so, rather than take action of a nature to disturb her work of consolidating Yugoslavia. Everything, in fact, leads back to the peace which is essential to her for that purpose.

11. Only in the third matter, also raised by these Italian activities, namely, treaty revision, would she contemplate war in order to preserve the *status quo*. The day is not yet come when she would agree to treaty revision without a fight, inasmuch as she regards revision not as menacing only, but as actually wrecking, the work of consolidation.

12. I fear I have been tedious in setting forth at such length the general standpoint of this country in respect of Central Europe. It seemed to me, however, essential to an accurate comprehension of Yugoslavia's feelings as regards Italy's present activities. Moreover, her individual feelings are complicated by her alliances in so far as one ally, France, might in the last resort accept a Habsburg restoration, if it were the only alternative to a

<sup>2</sup> The reference is to a rising in the Lika district of Croatia in October 1932, which was alleged to have had Italian support.

German 'Anschluss', and another, Czechoslovakia, might well prefer Italian hegemony at Vienna to German.

13. One thing can, I think, however, be counted upon. Yugoslavia will take no rash and unconsidered action. M. Jevtitch has repeatedly assured me that Yugoslavia will under no circumstances act without first consulting the French and His Majesty's Governments, whose treaty obligations in these matters are the same as those of the Little Entente.

14. Nor do I think that this country feels as yet any particular alarm. In a recent conversation M. Jevtitch observed to me that the water in which Italy was fishing was so troubled that she could not see herself where she was going. He was indignant at the complications created by this effort to form an Italo-Austro-Hungarian economic *entente*, which would run contrary to the block of the Danube Basin States, which the Little Entente would like to bring into existence. But he was of opinion that the Italian project was doomed to economic and political failure. In his view the only result of the Italian encouragement recently given to the Heimwehr in Vienna had been to weaken Austria's position and capacity for standing alone even more than before. The Austrians might wish to preserve their independence, but they, too, preferred Germans to Italians. It was the same with Hungary. An attempt to link up the two with Italy could only end by Hungary as well as Austria being attracted to the German political orbit. Economically, also, those two countries were, and always would be, more dependent on Germany than Italy. He believed that the present effort of Italy was confined to an economic *entente*, though some sort of political understanding to consult each other might be linked on to it. This was confusing and unfortunate in the general interests, but as such was not likely to lead to any substantial advantages even to the three countries concerned. There was consequently nothing to be done but to wait and see what further and more dangerous developments Italy might contemplate.

15. Generally speaking, M. Jevtitch's attitude was one of irritated resignation with things as they are and anxiety as to the future. I expect that it reflects fairly accurately that of the King, whose personal predilection for Germany has on many occasions been brought home to me. One immediate result of Italy's present activities has certainly been to confirm the utter mistrust felt here of Italy under all circumstances. Less than eighteen months ago there was a fair prospect of an agreement being reached between her and Yugoslavia. Today there is not the faintest prospect of such a consummation, and I am myself convinced that Yugoslavia only seeks the time and the opportunity to come to a close understanding with Germany. In all developments in Central Europe her policy is likely, so far as it may be compatible with her obligations to her allies, to conform to this eventual objective. So far as I am aware, no advances have been made on either side, but I was rather impressed by the definiteness of M. Jevtitch's observation, quoted above, that Germany recognised Yugoslavia as a[n] established factor in Europe, and would work with her. It was as if he had received a categorical assurance to that effect. As I was on the look-out for some such indication, I may be



giving it more importance than it actually has. Yet, if Yugoslavia ends in Germany's arms, it will be Italy who has put her there.

16. In view of the strict censorship in force in this country, the press merely expresses views of which the Government approves. Moreover, where Italy is concerned, public opinion is fairly unanimous. I have, however, the honour to transmit to you herewith a summary<sup>3</sup> of the articles published in the Yugoslav newspapers on the subject of Italy's recent manœuvres. Being controlled, they reproduce to a great extent the opinions of the Ministry for Foreign Affairs.

I have, &c.,

NEVILLE HENDERSON

<sup>3</sup> Not printed.

### No. 332

*Sir W. Selby (Vienna) to Sir J. Simon (Received March 12)*

*No. 50 [R 1527/37/3]*

VIENNA, March 5, 1934

Sir,

Announcements and forecasts made public or ascertained privately since my despatch No. 40<sup>1</sup> of the 19th February was written, indicate clearly that the Austrian Government—or at least its temporary masters, the Heimwehr—have decided to impose upon Austria a system of government which, for all the announcements that it is to remain Austrian in its conception, is to all appearances a close, if not a blind, copy of Italian Fascism under the cloak of the Papal encyclical *Quadragesimo Anno*.

2. Provincial autonomy, which was assured under the Constitution of the Austrian Federation, is being effectively destroyed by the deposition of all Provincial Governments and their replacement by authoritarian régimes along the lines reported in my despatch No. 32<sup>2</sup> of the 5th February last. All Provincial Governors elected with the help of Socialist votes have had to resign (this has taken place in Upper Austria, Carinthia, Burgenland and Salzburg, though in the last-mentioned province the Governor has been re-elected). The new Governors of Upper Austria and Burgenland are members of the Vaterländische Front, but Heimwehr Deputy-Governors have been elected in these provinces and in Lower Austria and Salzburg, and the Christian Social Governor of Upper Austria had to go because he was personally disliked by Prince Starhemberg as having been too lenient to the Socialists. The former Governor of Carinthia was a Landbund nominee with strong pan-German sympathies; the new Governor designate of this province is a member of the Heimwehr, but his election is, nevertheless, held up because that body demand also a majority in the Provincial Government. The Governors of Styria, Tyrol and Vorarlberg, all Christian Socialist, have retained their posts up till now.

<sup>1</sup> No. 300.

<sup>2</sup> Not printed. See No. 293, note 3.

3. The Governments of the City and Province of Vienna are also, naturally, in the melting pot; but the exact changes that will emerge from this re-organisation are not yet apparent.

4. The press has put forward the idea that Parliament may shortly be summoned—in exactly the same way as was done in Italy last year—to give the Government the powers necessary to legalise its subsequent actions and then dissolve itself indefinitely. The Austrian Constitution provides that one-third of the members forms a quorum in the Lower House; so that although out of 159 members holding mandates when the Lower House committed suicide last March 68 Socialists would not be allowed (Social Democratic party having been declared illegal) to take their seats, and seven pan-Germans might possibly abstain or be prevented from voting, the Government could presumably do as foreshadowed above, and so introduce its form of Fascism with some show of legality. After that it is openly said that the transition period preparatory to any return to parliamentary government along the lines of Mgr. Seipel's guild scheme must be a long one, and that a transitional Constitution worked out by Dr. Ender is to be introduced meanwhile.

5. In social questions the Fascist trend is equally evident. Dissolution or 'modification along Christian, Patriotic Front lines' of all (predominantly Socialist) trade unions is a certainty, although Dr. Dollfuss is, as I learn confidentially, trying to bring some of the more moderate Socialist trade union leaders into the new one-big-union (along Fascist lines) which the Government means to establish 'for workmen and employees [*sic* ?employers] alike'. Restriction of the right to join trade unions to those who have served their apprenticeship and are over 24 years of age is also planned, with the wholehearted approval of existing Christian Social trade unions, who thus hope to gain the mastery over Socialist competition. Regulation of home work, restriction of the trading rights of co-operative societies, and a host of attendant changes are further being discussed. Meanwhile, the Government is liquidating the Socialist Arbeiter Bank, which held a good proportion of the Socialist trade union funds, but is believed to have transferred them, in large part, to Switzerland. Fortunately, the liquidator of the bank, Dr. Hryntschak, will not have an entirely free hand, and it has been possible to secure private but not binding assurances that both Dr. Dollfuss and Dr. Rost appreciate the importance of moderation in these changes and particularly of not ruining the middle class professional depositors whose savings like those of many of the working classes, were in this bank. The Chancellor has further learnt of the influence of the British co-operative societies, and Dr. Schüller, the head of the Commercial Section of the Department for Foreign Affairs, is now keen to enlist their sympathy and practical help. None the less, the battle between these forces of moderation and the blind anti-socialism of many of Dr. Dollfuss's most powerful followers is bound to be a bitter one, and Socialist or trade union interests will, I fear, suffer severely even if moderation can eventually gain the upper hand.

6. Under the guise of protecting the country against internal disorder and

German aggression Major Fey has undoubtedly been able to enrol under the Heimwehr banner an indeterminate number of the unemployed youth or middle classes of this country. On the evening of the 3rd March the Chancellor declared in strict confidence to a close friend that he himself did not know how many auxiliaries were now 'on service' in protection of the Austrian frontier. In part, this declaration may have been due to a desire to hide from his interrogator the financial burden involved, each man now receiving from the State (and not as heretofore from private funds or Italian subsidies) 3.50 Schillinge a day, plus free food, lodging, clothing and arms. The material recruited both for the Heimwehr and for the Christian Social Ostmärkische Sturmscharen is unconvincing, consisting mostly of raw callow youths or obvious unemployed. But the cost of this doubtful protection is, as Dr. Dollfuss has been warned, too great for the State to bear for very long. As between the counsels of his financial advisers and the interests of Austro-Fascism the Chancellor's lot in this respect is not an enviable one.

7. From the same source—whose confidence will I trust be respected with great care—a member of my staff received the assurance that the total numbers enrolled would not exceed treaty stipulations; but it is not clear whether the auxiliaries will, as in Italy, be counted merely as Fascisti, that is party members and civilians, or whether, following the German model, Austria may argue that they are para-military formations for internal security only and not to be counted in the forces allowed to Austria under the Treaty of Saint-Germain. In either case the attitude of Dr. Dollfuss is likely to be more moderate than that of any other present-day leader of Austria in this respect.

8. As indicated above, the financial aspects of the present situation are not reassuring. The latest, and strictly confidential estimate of the budget deficit for the first six months of 1934 is 130 million Schillinge, of which Dr. Rost finds it absolutely necessary to cover 75 million Schillinge by short-term Treasury bills; a policy to which Dr. Kienböck, the president of the National Bank, will not for the moment accede. Moreover, there are serious differences of opinion between Dr. Rost and Dr. Kienböck regarding a scheme for uniting and reconstituting the Wiener Bankverein and Nieder Österreichische Escompte Gesellschaft.

9. After months of discussion between the National Bank and these two banks it has been agreed that an amalgamation shall take place, that the Wiener Bankverein shall take over part of the assets of the Nieder Österreichische Escompte Gesellschaft, that the latter shall become merely an industrial holding company, and that, with the assistance of the National Bank and Austrian Government, an amalgamation of the two banks shall be carried out under the name of the Mobil Bank.

10. But for this purpose 75 million Schillinge of new share capital is required, and Dr. Kienböck is unshakable in his determination to provide only 15 million Schillinge out of National Bank funds. The share capital of both banks having entirely disappeared (in the case of the Wiener Bankverein for the second time in two years) this leaves the State with the burden of

providing 60 million Schillings; which Dr. Rost maintains is excessive. Moreover, the latter insists that the Belgian and German shareholders of the Wiener Bankverein and the foreign shareholders of the Nieder Österreichische Escompte Gesellschaft must make a corresponding sacrifice; and in this contention he is at odds with both M. Frère (the Belgian adviser to the National Bank) and Dr. Kienböck, who insists upon maintaining the gold clause as regards share value for reasons which Dr. Rost cannot fathom but which I suspect are due to the holding of these and National Bank shares by local insurance and other companies. Also he is of the opinion that the State cannot contribute to the reorganisation of these banks until a proper examination of the profit and loss accounts has shown that the reorganised amalgamation can in future cover its expenses and so save Austria from yet another insolvency in two or three years' time. To this suggestion also Dr. Kienböck is opposed.

11. So serious has this controversy been that both Dr. Kienböck and Dr. Rost offered *pro forma* to resign, and Dr. Rost has warned the Chancellor that insistence upon this line of action will bring appreciably nearer the likelihood of an Austrian default on its foreign loan service. At the moment it looks none the less as if, in the main, Dr. Kienböck would, because of his great influence in Austrian politics, prevail over Dr. Rost's more orthodox views; but Dr. Rost is not taking the matter too tragically, though he is fearful of the eventual results. M. Frère has meanwhile left for Brussels—as I learn privately—in order to endeavour to obtain concessions from the Belgian banking group concerned, it being conceded on both sides that the amalgamation and reconstitution of the Wiener Bankverein and Nieder Österreichische Escompte Gesellschaft cannot be put off any longer lest their collapse involve the Credit Anstalt and the National Bank in another panic similar to that of 1931.

12. From American sources I learnt recently that the American banks had withdrawn the bulk of their 'blocked' loans to Austria; but my informants in Vienna maintain that in order to do so they accepted, in large part, shares in the above banks which are now valueless.

13. The latest cash estimates, which a member of my staff was privileged to see in confidence, showed—at the end of February—a decrease of 39 million Schillings as compared with last year. But Dr. Rost maintains that, though very serious, the situation is in this respect not to be taken tragically.

14. None the less, the political and economic situation in this country is hardly reassuring. On the 12th March Dr. Dollfuss will visit Rome, in company with General Gömbös, for three days. He will there no doubt discuss economic and political questions connected with the tripartite *bloc* which it is apparently Italy's intention to form as a bulwark against a German advance to the Brenner. But Germany is taking its precautions to neutralise at least the resuscitation of Trieste at the expense of Hamburg by making an offer through the 'Hanseatic Ports' to grant exactly the same terms at any time as may be granted via Trieste. Moreover, a Hungarian official admitted (to a member of my staff) last week that Hungary was well pleased with the

recent agreement under which Germany would take a definite quantity of linseed oil, 'and thus replace redundant wheat cultivation in Hungary' as well as other mutual economic concessions, including repayment of German blocked accounts in kind. Italy and Austria, on the other hand, he maintained, could not fulfil their promise to take 4 million quintals of Hungarian wheat, so that the path of the tripartite economic alliance will, from the outset, lead Hungary uphill.

15. Meanwhile, legitimists are active in Austria, declaring that a restoration is Austria's best hope of unity and independence, and they have been much heartened by Prince Starhemberg's declaration that Habsburg Disability Acts must be rescinded, Habsburg property restored, and 'the complicated question of a return of the exiles to Austrian soil carefully examined'. In Major Fey, Prince Schönburg-Hartenstein and other leaders of present-day Austria they believe that they have equally staunch supporters. The general opinion is that a Habsburg restoration is not practical politics in view of Little Entente rumblings and threats; but there are no means of ascertaining at the moment how real are the somewhat Delphic pronouncements of these erstwhile Monarchist leaders. Probably the deciding factor would be the attitude of Italy and Hungary; more especially the former, whose economic and financial help has allowed her to call the tune in Austria, even if she has eventually to pay a heavy price to Germany for so doing—or to sacrifice Austria in order to mollify Herr Hitler and come to terms with the Fascism of new Germany.

16. I am still unable to detect any real enthusiasm for Italy in this country, and have had many proofs of the inherent Germanic instinct which permeates all classes of Austrians, even though the latter may—in their resentment against Nazi methods—turn their backs temporarily upon Germany or do lip-service to Italian Fascism.

17. One thing only appears certain from this close proximity to events; for the moment Dr. Dollfuss is, either willingly or unwillingly, in the hands of the Heimwehr and a tool of Fascism. But I am not without hope that he may gradually disentangle himself from an entanglement which he clearly knows is irksome to his people, and so consolidate Austria in resistance to Nazi Germany. For this purpose he needs, as he knows, the united help of all classes of Austrians, including the late Socialist opponents of the Heimwehr. If he can draw the Socialist rank and file to himself by clemency, rather than estrange them, by sacrificing them however unwillingly to the petty revenge of their opponents and competitors, he will have done much to discourage Germany, so long as he can at the same time retain the loyalty of his anti-Socialist peasantry and of the middle-classes who are inclined to look upon Major Fey as their champion in rooting out 'odious Reds'. Otherwise Nazi propaganda can count upon the bulk of the late Socialist party to stab Dr. Dollfuss in the back when, at some convenient opportunity, Germany tries to overthrow him. I see no other leader in Austria able or willing to continue the fight against Germany, and am therefore of the opinion that, distasteful and even short-sighted as many of the Government's acts may

appear to public opinion in Great Britain, it is to the advantage of the latter to give him all possible and practical economic support; since it is predominantly by economic pressure that Germany counts upon crushing him without resort to force of arms, and against this economic weapon I doubt if Italian support or 'regeneration' of Austria along Fascist lines can for long prevail. Yet in his present bewildered and somewhat embittered mood, I learn that the Chancellor feels privately that he can, to his regret, count on practical help and support only from Rome. Surrounded by false or biassed counsellors, with his back to the wall, and convinced of the justice of his fight 'for the peace and religious faith of Europe against Nazi political and anti-religious doctrines', he is therefore forced to do as Italy bids until help can reach him from other quarters.

18. I am sending copies of this despatch to His Majesty's Representatives at Berlin and Budapest.

I have, &c.,  
W. SELBY

No. 333

*Sir J. Simon to Lord Tyrrell (Paris)*  
*No. 62 Telegraphic [W 2265/1/98]*

FOREIGN OFFICE, *March 6, 1934, 11.0 p.m.*

1. I stated yesterday in the House of Commons in reply to questions about the result of the Lord Privy Seal's visits to Paris, Rome and Berlin that His Majesty's Government were not yet in full possession of the views of all the Powers concerned and would prefer not to make a Parliamentary statement until the information is complete. I was further asked whether France had replied to our memorandum with a definite negative and declared that this was not at all correct.<sup>1</sup>

2. You should report the above to the French Government and point out that it will be impossible for me to postpone a further statement for more than a few days. We are fully alive to the difficulties of the French Government and are in complete accord in realising the gravity of the issues, but we hope that they will inform us as soon as possible of their considered opinion as to the present disarmament situation. What is their view as to the British memorandum of January 29? And what is their view of the modifications put forward by Herr Hitler and reported by Mr. Eden?

3. It may be that you will be invited to assist the French Government in framing their reply by indicating the views which we are disposed to form on the latter point, but you should use your discretion as to how far it is wise to do this and should in any case not do more than advance tentative indications.

4. It seems to us that the five conditions which Herr Hitler offers to apply to the S.S. and S.A., together with effective supervision to secure that they are observed, go a considerable way to meet French requirements and it is

<sup>1</sup> See Parl. Deb., 5th ser., H. of C., vol. 286, col. 1516.

difficult, having regard to the circumstances, to expect to secure more, short of complete abolition and disbandment. If Herr Hitler's proposals were put into effect, they would considerably reduce the military potentialities of these bodies.

5. As regards the re-entry of Germany into the League of Nations, we regard this question as of first-class importance and would co-operate in using every effort to induce Germany to give a pledge that, if a Disarmament Convention is signed, she will return to the League. It seems probable that Germany would not agree to such a condition as part of the Convention, but a collateral assurance would have the same effect.

6. We deplore the insistence of Herr Hitler in regard to air armament, but have the impression that Germany will not agree to abandon the principle of this claim. From the practical point of view the issue as regards Germany's claim for an air force appears to us to be one of numbers and on that we are prepared to do our utmost to work for a limitation of numbers on the most moderate possible scale.

7. We regard Herr Hitler's suggestion for postponing disarmament until the fifth year of the Convention as amounting in effect to a closer approach to the French proposition about stages.

8. Lying behind the consideration of these specific matters, important as they are, lies the fundamental question whether international agreement about armaments is going to be reached or not. We are profoundly disturbed as to the consequences which may probably ensue if there is no agreement. So resounding a failure, while it will not effectively result in restraining Germany, will threaten to strike at the root of much of the international co-operation for which we have all been working since the war. While we are both dissatisfied and disturbed at the stiffness and extent of German claims, we feel that the decision to be reached can be judged only by a realistic appreciation of the consequences of the alternative of no agreement.

## CHAPTER VI

Further exchanges regarding the German demands for rearmament: publication of the German defence estimates for 1934-5: British enquiry about the reasons for the increases in the German estimates: German reply to the enquiry: French refusal to accept a disarmament convention legalizing German rearmament

(March 7-April 30, 1934)

No. 334

*Sir G. Clerk (Brussels) to Sir J. Simon (Received March 7, 3.30 p.m.)*

*No. 8 Telegraphic [W 2285/1/98]*

BRUSSELS, March 7, 1934, 1.46 p.m.

My despatch No. 99.<sup>1</sup>

Prime Minister unexpectedly made an important declaration on foreign political situation in Senate yesterday.

Speaking with great frankness he said that there were only two possible ways of preventing German rearmament: by recourse to League Council under Article 213 or by a preventive war.

First alternative he regarded as hopeless because Great Britain and Italy were opposed to it. Second he considered to be far worse than the ill it sought to cure.

Prime Minister then criticised statesmen responsible for Treaty of Versailles who had believed it possible to keep a great nation in a state of permanent disarmament. How could twenty-seven Powers for the moment 'allied and associated' hope to succeed where Napoleon had failed? Their illusions had long since vanished.

England, France and Italy had in fact at the end of 1932 been forced to recognise Germany's right to equal treatment.

Above all things an armaments race must be avoided. An agreement of some sort was essential to Belgium's security. He appealed to the whole country to support Government in its efforts towards this goal.

This speech is not at all welcomed by Nationalist press which attacks Prime Minister bitterly for his apparent conversion to 'policy of surrender'

<sup>1</sup> Not printed. This despatch of February 20 reported on the attitude of the Belgian press towards disarmament.



of which it has long accused Minister for Foreign Affairs and hints that occupation of the Rhineland would be preferable to such a policy. Altogether it seems clear that Nationalist circles have received a severe shock and further attacks on Prime Minister are to be expected.

Despatch follows.<sup>2</sup>

<sup>2</sup> Not printed.

**No. 335**

*Sir E. Phipps (Berlin) to Sir J. Simon (Received March 8)*

*No. 54 Saving: Telegraphic [C 1523/29/18]*

BERLIN, March 7, 1934

Dr. Schmitt, Minister of Economic Affairs, dined with us last night. He seemed depressed and anxious about the economic situation. He complained that the Chancellor was too preoccupied over foreign affairs to devote sufficient time to the serious internal matters that confronted him. He feels that the original enthusiasm for the new régime is on the wane, and he harped on the danger that would arise in the event of Herr Hitler meeting with any real rebuff either in the internal or the external sphere.

Herr Röhm also dined. He laid stress on the impossibility of dissolving his S.A. and S.S., if only for economic reasons. Their dissolution would mean throwing them on to the street and largely increasing the numbers of unemployed. He again assured me of their lamb-like dispositions and peaceful mode of life. He would welcome the permanent attachment of foreign officers to those bodies to control their non-military character. His joviality seemed dimmed, and he conveyed to me an 'after the ball' impression.

I hear that quite recently Dr. Schmitt offered his resignation to the Chancellor, who declined to accept it.

**No. 336**

*Sir J. Simon to Sir G. Clerk (Brussels)*

*No. 26 Telegraphic [W 2285/1/98]*

FOREIGN OFFICE, March 8, 1934, 3.35 p.m.

I have been much interested in the views expressed by the Belgian Prime Minister as reported in your telegram No. 8.<sup>1</sup> I must naturally await your full report before expressing any opinion on them. But I notice that M. Barthou is visiting Brussels early next week and I feel it is well that you should be in a position to inform the Belgian Government of the present views of His Majesty's Government on the disarmament question. I am sending you by bag tonight a copy of my telegram No. 62 to Lord Tyrrell<sup>2</sup>

<sup>1</sup> No. 334.

<sup>2</sup> No. 333.

for your confidential information. The attitude of His Majesty's Government described therein is of course a provisional one pending further reflection and pending the reply of the French Government to the British memorandum of January 29. I have requested Lord Tyrrell to press the French Government for the earliest possible reply to the memorandum. You will appreciate that it is highly desirable to receive as soon as possible from all the Governments concerned their views on our memorandum. We naturally hope that after careful reflection they will accept it since in our opinion it offers the most practical and generally acceptable basis of a disarmament convention to which no one has suggested or is likely to suggest a practical alternative. Belgian adherence to this view publicly expressed would of course have an immense influence. You will receive by the bag that leaves tonight the full accounts of Mr. Eden's conversations in Berlin, Rome and Paris. This will give you full information as to the present attitude of those three Governments. I authorise you to communicate the gist of these conversations orally to the Belgian Foreign Minister. In your explanations to him you may use the substance of paragraph 8 of my telegram No. 62 to Paris but the primary object of your conversation with him should not be either the commendation or condemnation of Herr Hitler's proposals but the commendation of the British memorandum and the earnest desire of His Majesty's Government to receive as soon as possible the views of the Belgian Government thereon, if possible the full acceptance of the memorandum as the basis of a disarmament convention.

No. 337

*Lord Tyrrell (Paris) to Sir J. Simon (Received March 9)*

*No. 75 Saving: Telegraphic [W 2341/1/98]*

PARIS, March 8, 1934

Upon the receipt of your telegram No. 62<sup>1</sup> I asked to see M. Doumergue in preference to M. Barthou as the final decision will rest with the former, and discussions with him are more informal and therefore allow a greater latitude of expression.

2. I delivered to him your message stating how anxious you were to obtain as soon as possible a statement of the French views. M. Doumergue asked me to tell you how much he regretted not to be in a position to deliver to you the French reply. If it had not been for his internal preoccupations with Parliament still in session which took up his entire time, he certainly should have hoped to have been able to have given you an answer within a shorter time. He had hoped to get rid of the Chamber by the end of this week but he had been disappointed and would have to endure it for another week as he wished to avoid creating the impression that he was attempting to govern without parliamentary control. A further difficulty was connected with his health which after a severe attack of pneumonia last year made it

<sup>1</sup> No. 333.

impossible for him to work at night. He is faced with the most grave crisis that has yet confronted the Government of France and with two commissions sitting daily for the investigation of the Stavisky scandal and the February riots he is exposed to constant appeals for intervention and decisions. He therefore could not hold out any hope of giving the French answer before the end of next week or the beginning of the week after at the latest.

3. I must confess my inability to reply effectively to his plea for patience by adducing any arguments from our side to account for the pressure which we are putting upon him at present.

4. Moreover I am convinced that the more we hustle the French the less satisfactory may be their answer. Presumably therefore it is to our interest to give as much time as we can afford in order to obtain their co-operation in producing an arms convention based on disarmament aiming at reduction of armaments, an objective on which I believe our two Governments are in complete agreement.

5. We should not lose sight of the fact that the French are engaged in a vital struggle to maintain the parliamentary form of Government and at the same time to decide the most vital question of national defence. So much as regards the delay of the French answer.

6. I expressed the hope that I am wrong in supposing that the French answer would be a definite negative. M. Doumergue demurred at once and said that the French answer would leave the door wide open for discussion and adjustments and he took note of the fact that on the question of the return of Germany to the League and aviation there was complete agreement between the two Governments. I do not therefore think that he will quarrel with our view as regards the procedure to be adopted in getting Germany back to Geneva, provided she consents to return. As regards his views on aviation, I naturally refrained from mentioning paragraph No. 6 in your telegram under reply though even in the absence of his observations I should have taken advantage of the discretion which you left me and should not even have hinted at the position taken up by us, as it would create here a disastrous though mistaken impression of our tendency to arrive at an arms convention almost at any price, the price so far always being paid to Germany.

7. I was most anxious that M. Doumergue should continue under the impression that on two vital points, namely Germany's return to the League and aviation, there is agreement between us. You may remember as mentioned in my telegram No. 73 Saving<sup>2</sup> that our aviation proposal has proved an inducement to the Air Ministry here to plead for the convention.

8. What I find troubled M. Doumergue most was the departure of Germany from the League which he considered a sinister portent following thereby the precedent set by Japan. The latter as he said had evidently left the League in order to substitute individual action for collective action in the promotion of her national policy.

9. That is one of the reasons why he attaches so much importance to the

<sup>2</sup> No. 329.

return of Germany to Geneva. The other cause of anxiety is a more concrete one and that is the question of effectives, which touches France vitally since Germany will have at her disposal a vast reservoir of well-trained men to draw upon as reserves in the shape of her para-military formations which France will be lacking.<sup>3</sup>

<sup>3</sup> Mr. Eden commented on this telegram on March 16: 'Naturally the French Government do not want Germany to have an air force. Nor do we. But she has got one, and we may as well realise that we shall not get a convention if we ignore this fact. The path of wisdom is surely to secure the largest price we can from Germany for legalising her illegalities, while it is still worth her while to pay. It won't be much longer. The only alternatives I can see are preventive war or unlimited and uncontrolled German rearmament. We cannot contemplate [the] former, and surely we do not want to contemplate the latter.'

### No. 338

*Minute by Mr. Eden*

[W 2360/1/98]

FOREIGN OFFICE, *March 8, 1934*

The French Ambassador asked to see me this afternoon and explained that he was sorry that it had not yet been possible for the French Government to return an answer to the British memorandum. The information that I had brought back from Berlin and Rome had, however, introduced certain new elements into the situation. That information had now been examined by the French Cabinet and would shortly be the subject of study, together with the whole disarmament situation, by the Committee of National Defence. As soon as this examination had been completed by the latter body, there would be a further Cabinet meeting, after which a reply would be sent to us. This procedure would be carried through with as little delay as possible, but the Ambassador did not think that we could, in the circumstances, receive the reply of the French Government before the middle or end of next week.

I told the Ambassador that the Opposition had asked for a debate on Foreign Office estimates for next Wednesday,<sup>1</sup> and our position in the debate might be somewhat difficult if we were still in ignorance of the French reply. The Ambassador said that he appreciated the point and he would communicate with the French Government, giving them this information, but he was doubtful whether the reply could, in fact, be ready by next Wednesday.

I asked the Ambassador whether he could give me any indication as to the way in which the mind of the French Government was now working. He said that the French Government had two chief preoccupations: (1) in respect of the German air demands, and (2) in regard to the S.A. and S.S. I replied that we shared his preoccupations as to the former, but, as to the latter, it did seem to me that the assurances which the German Chancellor had now given were valuable, and, if supervised, should bring a measure of

<sup>1</sup> March 14.

appeasement to French anxieties. The Ambassador replied that it was just in order to see how effective these proposed rules of the Chancellor might be in practice that the French Government were now carefully examining them. He wished to assure me that any statements to the effect that the French Government had already decided upon a rejection of our memorandum were entirely false. He did not himself for a moment anticipate that their answer would be a simple 'Yes'. But no final decision whatever had yet been taken as to its form.

A. E.

No. 339

*Sir J. Simon to Sir E. Phipps (Berlin)*

*No. 289 [W 2439/1/98]*

FOREIGN OFFICE, *March 8, 1934*

Sir,

The German Ambassador called today and said that he was leaving tomorrow for a short visit to Berlin. He enquired whether I could give him any news as to the French attitude towards our memorandum on disarmament. Mr. Eden was present, and we told Herr von Hoesch that the pre-occupations of the French Cabinet with internal questions had involved some delay in the formulation of their views on our memorandum, and we were still awaiting a communication from them. The Ambassador urged us to remember that the German Chancellor's concessions, as stated at the interviews with Mr. Eden in Berlin, must be treated as the final limit to which Germany could go, and that no agreement could be reached by the method of splitting the difference between the German position thus defined and French claims. I pointed out that Herr Hitler's proposals could not be regarded as nothing but 'concessions'. We realised that the conditions to be fulfilled by the S.S. and S.A. forces, together with supervision to see they were applied, and the acceptance of a ten years' period with no disarmament to begin until five years had expired, were intended to meet French anxiety. But the claim for a large immediate air force was not a concession at all, but a very serious additional stipulation, which, instead of making agreement easier, raised strong objection. Moreover, we were much disappointed at the Chancellor's attitude as regards a return to the League of Nations. Germany had advanced as the excuse for her withdrawal the attitude of Geneva on the subject of disarmament; if, therefore, an agreement was reached on this subject there could surely be no justification for Germany interposing fresh objections to her continued membership of the League. I asked the Ambassador to tell Herr Hitler that we felt strongly on this point, and that I should greatly regret to have to announce that Germany took up so unyielding a position: it would make the worst impression in this country in the very quarters where a desire to do justice to Germany about armaments was most in evidence. Even if difficulty were felt in making

Germany's return to the League a formal condition of an arms agreement, it would surely be the subject of a collateral understanding. As regards Germany's demand for authorised air armament, we were not even now entirely clear as to the extent of this demand, and trusted that in the interests of agreement it could be revised. The Ambassador undertook to report what I had said to Herr Hitler. He emphasised, in the course of our conversation, that the figure of 300,000 for the new army could not be reduced.

I am, &c.,

JOHN SIMON

No. 340

*Minute by Mr. Eden*

[W 2327/1/98]

FOREIGN OFFICE, March 9, 1934

The German Ambassador asked to see me this afternoon. He said that M. Barthou had seen the German Ambassador in Paris and had spoken to him of the British memorandum. M. Barthou had complained that the memorandum had not solved difficulties that existed between France and Germany, nor were Great Britain and Germany agreed upon it. The German Government had the impression that M. Barthou intended in his reply to attempt to throw the blame on the German Government for the attitude which they had adopted to certain parts of our memorandum; in other words, to seek to throw a cloak over their own hostility to the memorandum by blaming the German Government.

The German Ambassador went on to remind me that when I had been in Berlin Herr von Neurath had told me that the German Government had received a note from the French Government to which in normal circumstances they would shortly be returning an answer. I had asked Herr von Neurath not to make any reply to this note pending the conclusion of my tour. Herr von Neurath had agreed to this, but the German Government now felt that they should without further delay reply to the French note. If they did not do this they would place themselves in a weak position *vis-à-vis* of the French Government.

I told the Ambassador that my first impression was the same as it had been in Berlin, namely, that until each of the three Governments had expressed their view upon the British memorandum it was undesirable that there should be any other exchange of notes. I would, however, as soon as possible, consult the Secretary of State and let the Ambassador know our view. Could the Ambassador give me any indication of the type of answer contemplated by the German Government? Would it, for instance, have reference to the British memorandum? The German Ambassador replied that the answer would certainly be phrased in friendly terms, but it would make plain the German attitude to our memorandum, the willingness of the German

Government to accept that memorandum as a basis and the 'concessions' which the German Government were prepared to make to satisfy French apprehensions. I replied that I still held the view that we should prefer that there should be no further exchange of notes until each Government had replied to our own memorandum. The Ambassador stated that he would telegraph to Herr von Neurath provisionally that this was my view and, in response to my request, he added that he could undertake that there would be no German reply to the French note before Monday.<sup>1</sup>

A. E.

<sup>1</sup> March 12.

No. 341

*Minute by Mr. Eden*

[W 2465/1/98]

FOREIGN OFFICE, *March 10, 1934*

I asked the German Chargé d'Affaires, Prince von Bismarck, to come and see me this morning, and told him that I had consulted with the Secretary of State after my conversation with the German Ambassador yesterday and that Sir John Simon shared the view, which I had then expressed, that His Majesty's Government would prefer that there should be no further interchange of notes until the French Government had replied to our memorandum.

This French reply would, as it were, complete the cycle, and it would in our judgment be a pity to encourage other exchanges of view in the meanwhile, since it was to be feared that these would only obscure or complicate the issue.

Prince von Bismarck replied that he fully appreciated our point of view and would telegraph accordingly to the German Government today. The German Ambassador had, in fact, already telephoned last night, after his conversation with me, to Herr von Bülow and told him of the opinion I had expressed. The Chancellor himself was still absent from Berlin and no final decision would be taken before his return on Monday night. At the same time Prince von Bismarck would not disguise from me that both Herr von Bülow and the Ambassador felt that the publication in the press by M. Barthou of the last French note made it increasingly difficult for the German Government to withhold their reply much longer. Since the German Government had definite views to express, they could hardly be expected to allow them to go by default. I replied that this was clearly a matter for the German Government. The Ambassador had been good enough to tell me that the German Government were contemplating a reply, and all that I could do was to state the opinion of His Majesty's Government that in our view it would be better for the course of the negotiations themselves that the French reply to our memorandum should precede any further exchanges of notes.

Prince von Bismarck then asked me whether he could be informed as soon as possible, in the absence of the Ambassador, of the French reply to our memorandum. I replied that I felt sure that we should be happy to do this.  
A. E.

No. 342

*Sir G. Clerk (Brussels) to Sir J. Simon (Received March 13)*

*No. 144 [W 2496/1/98]*

BRUSSELS, March 10, 1934

Sir,

With reference to my telegram No. 10<sup>1</sup> of today, I have the honour to report that I spoke to the Minister for Foreign Affairs this morning in the sense of the instructions contained in your telegram No. 26<sup>2</sup> of the 8th instant.

2. I gave M. Hymans a brief oral summary of Mr. Eden's conversations in Paris, Berlin and Rome, the record of which had reached me late yesterday evening, and I asked His Excellency to give the considered views of the Belgian Government on the British memorandum to His Majesty's Government as soon as possible. I added that I greatly hoped the Belgian Government would accept that memorandum as the basis of a disarmament convention, since it was of immense importance to the peace of the world to reach some international agreement on disarmament, and no practical or better alternative to the British memorandum had been or, so far as I could see, was likely to be, forthcoming.

3. M. Hymans listened with the greatest attention and took written note of one or two points in my oral summary of Mr. Eden's reports, but offered no direct reply to anything I said. He observed that the two points in the situation as expounded in the British memorandum which had most interested Belgian opinion were the question of security and that of the German paramilitary formations. It was, I gathered, largely because of what seemed to the Belgian Government the indefiniteness of British assurances of support in the memorandum that the Belgian Government had inclined towards the Italian memorandum, which, anyhow, left the armaments of France and other ex-Allied Powers at their present level. I said that I certainly did not prefer the Italian memorandum, not because the other emanated from my own Government, but for various reasons: one, because the essence of the discussions at Geneva was to achieve some measure of disarmament, and the public opinion of the world would be amazed and shocked if the final result of the Conference were nothing more than an agreement to allow rearmament; another, because I did not think enough weight had been attached to the undertaking given by His Majesty's Government in the memorandum that they would be prepared to agree to immediate consulta-

<sup>1</sup> Not printed. This telegram briefly summarized Sir G. Clerk's conversation with M. Hymans.

<sup>2</sup> No. 336.



tion as to the steps to be taken for the purpose of restoring the situation and of maintaining in operation the provisions of the Disarmament Convention in the event of a breach, or the threat of a breach, of that instrument. That seemed to me a most important declaration on the part of His Majesty's Government, for I could not imagine that my Government would ever seek to evade the obligation, which, to my mind, was implicit under that undertaking, that, as soon as consultation had shown what steps were to be taken, they would be taken. And, lastly, the Italian memorandum, when I first read it, and the many times I had read it since, remained to me so delicately nebulous that I felt that Herr Hitler and I could draw diametrically opposed conclusions with equal justification.

4. As regards the para-military formations, it seemed to me that in this respect Germany, or at least Herr Hitler, had made a considerable step forward. It should not, I thought, pass the wit of man to set up, on the basis of Herr Hitler's assurances, a system which would satisfy France and Belgium that the S.A. and the S.S. were, in fact, militarily innocuous. What I thought was likely to prove a much greater difficulty was the German insistence upon the immediate possession of military aircraft. To my mind Herr Hitler's argument that German industry could be destroyed by air attack in a few hours, though maybe true enough on paper, and a good debating point, was as fantastic as German fears of aggression. No Power in the world wanted to attack Germany, but many Powers had every reason to fear attack by Germany, if she were strong enough to do so. I foresaw that Herr Hitler's demand for an immediate right to the possession of 'defensive' military aircraft would be fiercely resisted, and as fiercely upheld by Herr Hitler, for the truth was that, to him and to Germany, the possession of military aeroplanes was a matter of national honour and prestige. This was the question which caused me the gravest misgiving at the present moment, for I felt that in other ways Mr. Eden's tour had been fruitful, and I did not think that any of the other difficulties, great though they were, were insuperable. But I called M. Hymans' attention to the attitude of His Majesty's Government with regard to military aircraft, as laid down in their memorandum, which attitude, so far as I knew, was still firmly held by them today. It seemed to me that, on this point alone, the public adherence of the Belgian Government to the British memorandum as a basis of a disarmament convention would be of the greatest value. The more the Germans realised that the other Powers were united in their view that, in the words of the British memorandum, no 'party not hitherto entitled to possess military aircraft should claim such possession pending the results of the enquiry' of the Permanent Disarmament Commission into the possibilities of the complete abolition of naval and military aircraft, the more prospect there was of the German claim being defeated or whittled down to a 'token payment'.

5. The Minister for Foreign Affairs ended our long conversation by saying that Belgium was in a difficult position, and especially so just now. The Government were beset by internal difficulties and by complications arising

out of the death of King Albert,<sup>3</sup> and had to pay particular heed to public opinion. It was because public opinion was ignorant and misled by the press that the Prime Minister had made his deliberately sensational speech on Tuesday last.<sup>4</sup> All Comte de Broqueville had done in reality was to express in direct and forcible language the views which the Belgian Government had long held, and the whole Government were solid with their Prime Minister in his action. But the speech had naturally caused a certain effervescence, and the Government must give the Belgian people a little time to settle down and look at the facts in a calm and reasonable light. Moreover, what the Government, and he himself above all others, must carefully avoid was to do anything which would upset the delicate balance of Belgian (i.e., Walloon and Flemish) opinion in regard to foreign affairs. What I took His Excellency to mean was that, having just given the French Government a nasty shock, the Belgian Government could not follow it up immediately by a second blow, which would be the interpretation put by France on the public expression of Belgian adherence to the principle of the British memorandum. His Excellency gave a strong hint that if the British General Staff were authorised to work with the Belgian General Staff within the frame of Locarno, just as the French General Staff had done, with no formal or definite commitments on either side (see my despatch No. 47<sup>5</sup> of the 20th January last), the feeling of security which Belgium would derive therefrom might encourage the Belgian Government to adhere to the British memorandum, which, after all, as I said to M. Hymans, in its general lines corresponds closely to the views held and expressed by Belgian Ministers. Failing such co-operation, I feel that the Belgian Government will not move, except platonically, in the direction desired by His Majesty's Government. When I pressed M. Hymans for the earliest possible reply, his answer made it fairly clear that we should not get one until the French Government had sent their considered view to His Majesty's Government, which, incidentally, M. Hymans apparently expected would be next Tuesday.<sup>6</sup> In other words, I assume that M. Hymans is going to consult Paris first.

I have, &c.,

GEORGE R. CLERK

<sup>3</sup> On February 17, 1934.

<sup>5</sup> Not printed.

<sup>4</sup> See No. 334.

<sup>6</sup> March 13.

No. 343

*Sir W. Selby (Vienna) to Sir J. Simon (Received March 11, 9.20 p.m.)*  
*No. 64 Telegraphic [R 1509/1287/3]*

VIENNA, March 11, 1934, 7.30 p.m.

My telegram No. 63.<sup>1</sup>

French Minister informed me this morning that his Government was actively supporting Italian Government in the latter's efforts to find a solution of the Central European problem. They had received satisfactory assurances from Signor Mussolini that Italy was not supporting the Habsburg restoration plan and that no question of restoration arose at the moment. Signor Mussolini had also given assurances that he was not endeavouring to establish an exclusive Austro-Hungarian-Italian economic *bloc*. In view of these assurances French Government were bringing strong pressure to bear on the Governments of the Little Entente with a view to securing their collaboration.

French Minister indicated that Italian Memorandum of September last<sup>2</sup> was largely adaptation of previous French schemes to meet the situation in Central Europe but his Government were quite willing that Signor Mussolini should be given all the credit for the initiative.

French Minister added that as regards relations between Austrian Government and Germany Ballplatz had now become somewhat reticent. This did not alarm him but it enjoined watchfulness on the part of the Powers as it indicated a waiting attitude on the part of the Austrian Government pending developments of negotiations now proceeding.

Repeated to Rome.

<sup>1</sup> Not printed. This telegram of March 7 reported that the French Minister in Vienna was in favour of the reported scheme for an Italo-Austro-Hungarian *bloc*. Sir W. Selby also reported that there was a danger of a drift by the Austrian Socialists towards National Socialism if heavy sentences were passed on their leaders, and gave it as his opinion that the Italian Government would do Dr. Dollfuss a service if they advocated leniency.

<sup>2</sup> This memorandum of September 29, 1933, which was communicated to the British delegation at Geneva by the Italian delegation, proposed that economic action in central Europe should be based on the following principles: (a) bilateral agreements, (b) preferential treatment for the cereals and other agricultural products of the Danubian countries, (c) preferential treatment for Austrian industrial production, (d) the improvement of the commercial balance of the Danubian states and the increase of their exports, (e) measures to direct the trade of these countries towards its natural routes, and (f) measures to improve the balance of payments of the Danubian states. The memorandum is printed in de Martens, *Nouveau Recueil Général de Traité*s, 3rd Series, vol. 30 (1935), pp. 7-10.

No. 344

*Sir J. Simon to Sir E. Drummond (Rome)*  
*No. 87 Telegraphic [R 1593/1287/3]*

FOREIGN OFFICE, March 12, 1934, 7.0 p.m.

Italian Chargé d'Affaires called recently on instructions from his Govern-

ment to explain Italy's Austrian policy in view of the forthcoming meetings in Rome.<sup>1</sup> He said:—

1. Italian Government had no intention of advocating a Habsburg restoration or of forming a political *bloc* between Austria and Hungary, still less between Austria, Hungary and Italy.

2. The forthcoming discussions would be devoted exclusively to improving economic situation of Austria by increasing trade facilities between Austria, Hungary, and Italy on basis of Italian Danubian plan.

3. Any economic scheme which might result would provide for the collaboration of other countries, including Little Entente and Germany.

4. In her efforts to maintain Austrian independence Italy had no ulterior motives either political or economic such as desire to establish a special position for herself in Central Europe.

5. If Italian Government supported Dr. Dollfuss in his recent policy of suppressing the Socialist party in Austria without consulting France, this was because they realised that French Government would for internal reasons find it difficult to commit themselves on this point. But Italy's isolated action in this respect did not indicate that she was aiming at ulterior objects.

You should let Signor Suvich know that we should appreciate being informed of what passes at the forthcoming conversations, and that we presume that any economic arrangements reached regarding Austria will be communicated to the members of the Commission on European Union in accordance with the decisions of the Stresa Conference. If since receipt of Mr. Sargent's letter of December 13<sup>2</sup> you have not found an opportunity to drop a hint to the Italian Government that we do not necessarily accept the Italian plan as it stands you should endeavour to do so now.<sup>3</sup>

Repeated to Paris, Vienna, Budapest and Berlin.

<sup>1</sup> General Gömbös arrived in Rome on March 12 and Dr. Dollfuss on March 13.

<sup>2</sup> Not printed. This letter informed Sir E. Drummond that no official reply was being made to the Italian memorandum of September 29, 1933 (see No. 343, note 2), and suggested that he should, without initiating criticism, discourage tendencies to regard the scheme as a panacea agreeable to all save Dr. Benes.

<sup>3</sup> Sir E. Drummond informed Mr. Sargent in a letter of March 26 that he had conveyed a hint to this effect to Signor Suvich on March 13.

## No. 345

*Sir J. Simon to Sir E. Drummond (Rome)*

*No. 88 Telegraphic [R 1442/37/3]*

FOREIGN OFFICE, *March 13, 1934, 7.10 p.m.*

Vienna telegram No. 63<sup>1</sup> and my telegram No. 86.<sup>2</sup>

There is a growing feeling in this country that Fey (in contradistinction

<sup>1</sup> Not printed. See No. 343, note 1.

<sup>2</sup> Not printed. This telegram of March 8 instructed Sir E. Drummond to draw Signor Suvich's attention to the danger referred to by Sir W. Selby that the Austrian Socialists might drift towards National Socialism.

to Dollfuss) is trying to exploit the trial of the Socialist leaders for purely political purposes, and that he intends at all costs to convict the leaders of having prepared a 'putsch' against the Government. It is being said that the intention is to 'maximise' the trial. If this proves to be the case, and if the prisoners are not freely and adequately defended, a great part of public opinion in this country will probably be hostile and this may show itself in various forms of protest in the same way as it did in the case of the German Reichstag trial.

Such a development would naturally hamper His Majesty's Government in their policy of co-operating with the Italian and French Governments in supporting the present Austrian Government in its struggle to maintain the independence of Austria. I should be glad therefore if you would take the opportunity of Dr. Dollfuss's presence in Rome to speak both to him and to Signor Mussolini on this subject and to impress upon both of them the importance of ensuring that the trial shall be carried out in such a way that there can be no doubt as to its justice and impartiality, an essential factor being that Austrian lawyers should be encouraged to come forward to defend the prisoners without fear of disfavour, let alone of reprisals. If no proper defence of the prisoners were provided, I should apprehend that arrangements will be attempted to provide for their defence from outside. It is difficult to see how either the interests of the prisoners or political expediency could be served by such an attempt, though it would not be surprising if it were made.

Please inform me of the result.

Repeated to Vienna and Paris.

No. 346

*Sir J. Simon to Sir W. Selby (Vienna)*

*No. 36 Telegraphic [R 1442/37/3]*

FOREIGN OFFICE, *March 13, 1934, 7.10 p.m.*

My telegram to Rome No. 88.<sup>1</sup>

As soon as Dollfuss returns to Vienna you should speak to him in the same sense.

Meanwhile you should leave your Italian colleague in no doubt as to views of His Majesty's Government on this subject. Let me know the response which you receive.

Repeated to Rome and Paris.

<sup>1</sup> No. 345.

No. 347

*Sir E. Phipps (Berlin) to Sir J. Simon (Received March 20)*

*No. 291 [C 1804/20/18]*

BERLIN, March 13, 1934

Sir,

The Italian Military Attaché recently informed the Military Attaché to this Embassy that he had received reports that instructions had been given for the preparation of field works in the demilitarised zone East of the Rhine and that such works had already been put in hand in the greatest secrecy.

2. According to Colonel Thorne's informant, this activity on the West was only decided upon after the signing of the Polish-German Treaty, when it was felt that preparations to meet a possible French advance could be pushed further westwards.

I have, &c.,

ERIC PHIPPS

No. 348

*Sir E. Drummond (Rome) to Sir J. Simon (Received March 15, 9.30 a.m.)*

*No. 96 Telegraphic [R 1601/37/3]*

ROME, March 14, 1934, 11.25 p.m.

Your telegram No. 88.<sup>1</sup>

I saw Austrian Chancellor this afternoon.

I mentioned to him that there was a feeling in Great Britain that Vice-Chancellor wished to have a sensational trial of Socialist leaders and to make of trial a world event. Chancellor to whom the idea was apparently new stated that he did not believe there was the slightest intention of this sort. I then spoke to him about great importance which would be attached by public opinion in Great Britain to the trial being perfectly just and impartial. For this end it was essential that accused should be adequately defended and should have indeed the right of selecting their own Austrian lawyers who should be immune from dangers of suspicion and reprisals. Herr Dollfuss replied that the question was being dealt with by Minister of Justice but that he himself had never doubted one instant that trial would be perfectly just and that the accused could employ such lawyers as they desired provided that these lawyers were not themselves implicated in revolutionary movement.

So much was this the case that he had never even mentioned the subject to the Minister of Justice but he would do so as soon as he returned and let me have an answer through some appropriate channel.

I told the Chancellor that I was very happy to hear what he had said. If no effective defence for the prisoners by Austrian lawyers were available a move would be likely to be set on foot from outside sources to provide

<sup>1</sup> No. 345.

foreign lawyers and clearly it would be highly desirable from every point of view that this should not happen. The Chancellor fully agreed. I reminded him of the feeling which had arisen in England over the Reichstag fire trial and Herr Dollfuss remarked that proceedings which had taken place in Germany were quite alien to Austrian spirit.

The Chancellor then proceeded to explain to me his programme of healing the wounds which had been inflicted and of assuring working classes that his administration and Government were not in any way hostile to them, that social advantages they had previously gained would not be diminished and that his end was not to support capitalism as against workers and that he had the collaboration of all classes.

He added that if Labour parties proper abroad, as opposed to Communists, could be brought to understand his objects and thus cease from unfair criticism, his hands would be greatly strengthened since it would then be easier for Austrian working classes to rally to his support.

He confirmed what Signor Suvich had told me, see my despatch [No.] 227,<sup>2</sup> that his object was to establish a wide basis of Government.

I explained to him that desire of His Majesty's Government was to co-operate in his struggle to maintain independence of Austria and that it was for this reason that they were particularly anxious that nothing should happen which would alienate public support in Great Britain from his Government. I think he appreciated the point.

In view of reassuring statements made and evidence of good will shown by Chancellor I venture to think it would be a mistake if I now made the same points with Signor Mussolini. I feel that my action would get round to the Chancellor's ears and might make him think that I had no confidence in what he had said and might thus weaken his present excellent intentions. I will however take a convenient opportunity of explaining to Signor Mussolini or to Signor Suvich substance of your instructions and their results.

Repeated to Paris and Vienna.

<sup>2</sup> Not printed.

#### No. 349

*Sir E. Drummond (Rome) to Sir J. Simon (Received March 15, 2.45 p.m.)*  
*No. 97 Telegraphic [R 1622/37/3]*

ROME, March 15, 1934, 1.45 p.m.

My telegram No. 96.<sup>1</sup>

I explained position to Signor Suvich this morning. He said he had independently mentioned the question to the Chancellor and felt sure that he had no intention of maximising the trial.

As regards future wider basis of Government Chancellor was considering a new constitution based on establishment of three main corporations:—

<sup>1</sup> No. 348.

(1) Corporation for production. In this employers who were as a class particularly interested would be in a majority.

(2) Corporation for organisation of work. Here workmen would have a majority.

(3) Relations between employers and workmen. Parity between the two.

Signor Suvich said that he thought general lines of scheme sound and well suited to Austrian conditions.<sup>2</sup>

Repeated to Vienna.

<sup>2</sup> Sir E. Drummond was informed by telegram on March 15 that his language to Dr. Dollfuss and Signor Suvich was approved.

### No. 350

*Sir E. Drummond (Rome) to Sir J. Simon (Received March 15, 9.30 p.m.)*  
*No. 98 Telegraphic [R 1627/1287/3]*

ROME, March 15, 1934, 9.30 p.m.

I learn from an excellent source that Signor Mussolini has submitted to Herr Dollfuss and General Gömbös draft of a political pact providing solely for consultation between the three countries. Such a pact would in fact simply confirm the present practice. I have no news as to how this proposal has been received by Austrian Chancellor and Hungarian Prime Minister and nothing has appeared in the press with regard to it. My informant stated that chances of realisation of proposals were about even and that the principal object of the pact was to strengthen Herr Dollfuss' position. Great care would be taken that the pact should not appear to be directed against any nation or group of nations.

Repeated to Vienna and Budapest.

### No. 351

*Communication from the German Embassy (London), March 15, 1934<sup>1</sup>*  
*[W 2583/1/98]*

BERLIN, March 13, 1934

(Translation.)

The Minister handed to the French Ambassador this evening the following reply to the French memorandum<sup>2</sup> of the 14th February:—

The German Government gathered at the time, from the *aide-mémoire*

<sup>1</sup> This communication was in the form of a note from the German Embassy enclosing a copy in translation of a telegram from the German Foreign Minister to the Chargé d'Affaires at the Embassy. See also No. 352. The translation of the telegram was subsequently published in Cmd. 4559 of 1934.

<sup>2</sup> See No. 278.



communicated to them by the French Ambassador on the 14th February, that the view of the French Government in regard to the disarmament problem still differed on important points from the German view, but that the French Government, like the German Government, was striving now as previously for the early conclusion of a disarmament convention and, in spite of differences of opinion which had occurred, they desired to continue the exchange of opinions with the German Government. The German Government, however, in the first place refrained from replying to the *aide-mémoire* because welcome discussions for purposes of information had then been initiated by the British Government to clear up the attitude of the individual Governments and because it appeared to them advisable to await the course of the discussions in the first instance. They would now no longer delay replying to the *aide-mémoire* of the 14th February. They have gained the impression that the observations of the French Government on various points have been affected by misunderstandings in regard to the previous German declarations. It appears to them important to clear up these misunderstandings in order to prevent the further discussion of the disarmament problems being prejudiced thereby. The following points in particular are concerned:—

(1) The French Government miss in the German memorandum of the 19th January a clear definition in regard to the question of the range of the pacts of non-aggression proposed by Germany and the question of the bearing of these pacts on the Rhine Pact of Locarno. The meaning and range of the pacts of non-aggression are shown, as has been already stated to the French Ambassador on an earlier occasion, by the international practice of the past years. Moreover, the German-Polish declaration of the 26th January, now published and ratified, clearly signifies and illustrates that Germany is prepared to go to the furthest conceivable limit in the obligation in no circumstances to resort to the use of force. So far as the Treaty of Locarno is concerned, the German Government have not contemplated weakening it by other pacts of non-aggression. They have never placed the validity of this treaty in doubt. On the contrary, when the question was raised by the French Government, they merely drew attention to the fact that, having regard to the future form of international co-operation, times might possibly come when an adjustment of the treaty to this form might appear necessary or desirable. Here, however, only technical juristic modifications would, in the opinion of the German Government, be concerned and not modifications of the political contents of the treaty provisions. In this connexion the German Government would point out that if the disarmament problem is settled, the time will be reached to discuss with the other Powers the question of the future relation of Germany to the League of Nations.

(2) The French *aide-mémoire* of the 14th February emphasises that the German Government's proposals proceed from an 'erroneous assertion', namely, that a really trenchant disarmament is not attainable at present. As opposed to that, the German Government would once more point out

that it goes without saying that nothing can be more desired by them than that the most far-reaching limitations of armaments possible should be established in the disarmament convention. They thought that in their memorandum of the 19th January they must merely state in this connexion that the highly armed States, in their declarations so far existing, have included no disarmament measures which were trenchant enough to alter the point of departure of the German proposals. In particular, the French Government did not, in their *aide-mémoire* of the 1st January, or in the *aide-mémoire* of the 14th February, hold out any prospect of disarmament measures which could be regarded as automatically settling the question of the future German armament position in the sense of the five-Power declaration of the 11th December, 1932. Moreover, it would now be of less consequence how high or how low the disarmament measures offered by the individual highly armed States are to be estimated from the ideal point of view than to agree on a convention in relation to the actual consequences which should be drawn from the existing state of affairs.

(3) As regards the question of control, the criticism which the French Government make with respect to the observations in the German memorandum of the 19th January appears also to rest mainly on a misunderstanding. The German Government have placed no other condition on the introduction of international control than the natural one, that this control should operate for all countries on a footing of complete equality. As soon as agreement has been reached on the material provisions of the convention, i.e., on the establishment by treaty of the future armament position of the individual countries, the question of the operation of the control will settle itself. Only the technical details of the control will then remain to be dealt with, the settlement of which should cause no difficulties, and, consequently, it would be better to postpone the discussion of these to a later stage in the proceedings. For the moment, it should suffice to state that the German Government are completely in agreement if as effective a control as possible is set up and if it begins to function simultaneously with the entry into force of the convention.

(4) With the question of control is connected another point which the French Government, according to the statements in their *aide-mémoire* of the 14th February, appear to wish to place particularly in the foreground. That is the question of determining the status of the political organisations existing in Germany. The German Government maintain that no military character can be attributed to these organisations. The French Government feel obliged to adopt a different view, that is, a difference of opinion regarding a simple question of fact. Can there be a better and more natural way of settling such a difference of opinion than by the application of the contemplated control régime to this kind of political organisation in all countries as has been expressly accepted by the German Government? The French Government consider that the objection can be raised that, by this means, the settlement of an important point would be postponed to the period after the coming into force of the convention, and that serious misunderstandings

must arise on the first application of control. This objection is devoid of substance because, in the view of the German Government, a clear understanding will have to be reached before the signature of the convention as to what is understood by the military character of associations outside the army. The German Government would be entirely in agreement with the laying down by treaty of concrete restrictions, applicable to all countries, which would ensure that associations outside the army should receive no military weapons and no military training, and that their organisations should, moreover, not be connected in any way with the army. The French Government, moreover, may rest assured that Germany on her part will never expose herself to the risk of drawing upon herself, after the coming into force of the convention, the valid accusation of having violated it. It is self-evident, and the French Government will not deny that the German Government are fully determined to carry out the obligations undertaken by them in the convention and that they would sign no convention the loyal fulfilment of which they did not consider they could guarantee.

If the above-mentioned misunderstandings and the observations of the *aide-mémoire* of the 14th February related thereto are excluded, there remains as the crux of the difference of opinion between the German and the French Governments, the two questions to which reference has already been made at the end of the German memorandum of the 19th January. First, the question of certain 'modalities' with regard to the calculation of strengths of personnel, and secondly, the question of the date of the equipment of the future German army with weapons of defence. With regard to the question of the strengths of personnel, the German Government gather from the last French *aide-mémoire* that the French Government are prepared to include in the equalisation of strengths of personnel on both sides, overseas troops stationed in French metropolitan territory, and further to accept a maximum number to be laid down by treaty for all overseas troops. Although this clarification of the French position is welcomed, it still leaves out of consideration the fact that, in the equalisation of strengths of personnel, there would also have to be taken into account, in reason, the strengths of those overseas troops which, while not in the metropolitan territories, are so stationed that they could at any time and without difficulty be transported to the metropolitan territory for military use. Moreover, the trained reserves cannot be left out of consideration. As regards the date of the equipment of the future German army with the necessary defensive armaments, the French Government in the *aide-mémoire* of the 14th February, have given no reason which could justify this date being postponed for years, thereby prolonging the discrimination against Germany and withholding from the German army their full military effectiveness during the period of the reorganisation of the Reichswehr into a short-service army. The German Government feel that they can refrain from any further explanation of their attitude on the question under consideration. Moreover, the German Government and the French Government are confronted with the fact that the Italian Government and the British Government came forward several

weeks ago with their important proposals in regard to the formulation of the Disarmament Convention. The proposals of both Governments move to a great extent in the same direction and might have contributed materially to the clarification of the situation. They were, therefore, welcomed by the German Government. Important points of these proposals, it is true, still remain to be discussed. The German Government feel, however, that they can state at once that they are of a nature to facilitate and expedite the understanding between them and the French Government. The discussion has now advanced so far that two methods are indicated by which a solution can be reached. One may choose either a convention with a short period of validity of about five years which would content itself with the limitation of the armaments of the highly armed States to their present position, or one can introduce into the convention certain measures of disarmament for the highly armed States, and give the convention, for this purpose, a longer period of validity. The fixing by treaty of the future state of Germany's armaments would, in both cases, have to be materially the same, since, even in the case of a settlement of the latter type, as has been represented above, no measures of disarmament can be contemplated which would be of importance to the realisation of the German claim to equality. The fact that under no circumstances can there be further contemplated for Germany an armament such as that laid down in the Treaty of Versailles is one that has long since been recognised on all sides. This fact is the starting point, not only of the last proposals of the British Government and the Italian Government, but also of all proposals which have been brought under discussion at the Disarmament Conference since the French plan of the 14th November, 1932.<sup>3</sup> The German Government, in the proposals which they recently made for the armament of Germany during the continuance of the first Disarmament Convention, have imposed upon themselves such a far-reaching restriction, that they have reached the minimum of what is necessary for the security and the defence of the country in this period of time. They renounced from the outset all weapons of offence, and have always declared that they would accept equally far-reaching restrictions of armament if this were also the case on the part of the other Powers. They hold, moreover, that all the other conditions for an understanding are present, and are of the opinion that it now depends only upon determination to reach this understanding.

Further telegram follows.

BÜLOW

<sup>3</sup> See Volume IV of this Series, No. 176.

*Sir J. Simon to Sir E. Phipps (Berlin)*

*No. 302 [W 2541/1/98]*

FOREIGN OFFICE, March 15, 1934

Sir,

Prince Bismarck called on Mr. Eden on the 13th March to communicate a message from the German Government. His remarks were in a sense similar to that in which Baron von Neurath spoke to you, as reported in your telegram No. 92<sup>1</sup> of the 14th March.

2. Prince Bismarck explained that, after full consideration the German Government had decided to reply to the French note of 14th February and that the note would be communicated to the French Ambassador in Berlin on the evening of the 13th March.

3. The German Government had come to this decision for a number of reasons. It was convinced in the first place that the note would not aggravate the situation, since it was in line with the proposals of the British memorandum, and it emphasised the points in regard to which it was in agreement with that memorandum. The text of the note was conciliatory and was intended to clear up the points at issue and to reassure the French on certain matters. The German Government felt that by giving the French Government this note at the present time it might make it easier for France to accept our memorandum as a basis, or make it more difficult for her to decline to do so. The Chancellor had in any case felt it necessary to lay down authentically, as from the German Government to the French Government direct, those 'concessions' which Herr Hitler had offered in the course of his conversation with Mr. Eden in Berlin.

3. Finally, the publication in Geneva of the French note of the 14th February had made necessary some reply from the German Government, which otherwise would have been placed in a bad position tactically.

4. No publication of this note was contemplated in the course of the next few days. Meanwhile, as foreshadowed in Your Excellency's telegram referred to above, a copy<sup>2</sup> of this note has been received today from the German Embassy.

I am, &c.,

JOHN SIMON

<sup>1</sup> Not printed. In this telegram Sir E. Phipps reported that Baron von Neurath had given him a copy of the German reply of March 13 to the French Government. Baron von Neurath informed Sir E. Phipps that the German Government had decided to reply to the French 'in a very forthcoming manner' with a view to facilitating the Anglo-French correspondence.

<sup>2</sup> No. 351.

No. 353

*Sir E. Drummond (Rome) to Sir J. Simon (Received March 17, 7.0 p.m.)*  
*No. 103 Telegraphic [R 1661/1287/3]*

ROME, March 17, 1934, 6.35 p.m.

My telegrams Nos. 98<sup>1</sup> and 99.<sup>2</sup>

Two protocols<sup>3</sup> were initialled here yesterday and will be signed today; one is of a political nature, the other economic.

I am given to understand that the political document deals with two points, (a) independence of Austria and Hungary and (b) Italian, Austrian and Hungarian Governments agree to pursue a policy of co-operation between themselves and with all other countries, particularly those with whom they are bound by special ties. With the object of ensuring (a) and (b) the three countries will if necessary consult with each other.

Economic document lays down lines on which experts of the three countries shall work together, their efforts being based on recommendations of Stresa Conference and Italian Danubian memorandum.

My informant was at pains to impress upon me the essential anti-bloc character of political protocol. As regards economic document it seems clear that experts have much work still in front of them.

I understand that Signor Suvich will take an early opportunity of giving me a detailed account of negotiations here in the last few days.

Communiqué will, it is said, be issued this afternoon.

Repeated to Vienna and Budapest.

<sup>1</sup> No. 350.

<sup>2</sup> Not printed. This telegram of March 15 reported information given to Sir E. Drummond by Herr Schüller concerning the economic aspects of the negotiations.

<sup>3</sup> The texts are printed in translation in *British and Foreign State Papers*, vol. 137, pp. 291-3.

No. 354

*Sir G. Clerk (Brussels) to Sir J. Simon (Received March 19, 8.0 p.m.)*  
*No. 15 Telegraphic [W 2726/1/98]*

BRUSSELS, March 19, 1934, 6.30 p.m.

My telegram No. 10.<sup>1</sup>

M. Hymans sent for me this morning. He said, as must no doubt have been evident from recent events in Belgian Senate, it was not possible for Belgian Government to adhere to British disarmament memorandum. The Government had passed through a difficult time and were now in comparatively calm water. They had endeavoured by plain speaking to bring the realities of the situation home to the nation, but it would take time for the lesson to penetrate; and at the moment Parliamentary opinion would not

<sup>1</sup> Not printed. See No. 342, note 1.

tolerate a Government which pronounced itself in favour of British memorandum. Moreover the Belgian Government thought they could render greater service in the cause of peace by retaining their liberty of action.

M. Hymans said he did not know what the French were going to answer, but he thought that the three vital points which must be dealt with satisfactorily were (1) para-military formations, (2) general control by inspection, (3) guarantees of security. It was true that guarantees already existed but times had changed since they were framed: the danger was now greater and guarantees ought to be proportionately more far-reaching.

No. 355

*Sir J. Simon to Lord Tyrrell (Paris)*

*No. 464 [W 2744/1/98]*

FOREIGN OFFICE, *March 19, 1934*

Sir,

M. Corbin called this afternoon to hand me the French note in reply to our memorandum on disarmament of the 29th January. The text of the note, with a translation,<sup>1</sup> is annexed.

2. The French Ambassador agreed that it would be better for the note itself to be studied in the first instance rather than to attempt an immediate verbal commentary. I observed that if the note followed the lines already indicated in the French press, it would seem that the British memorandum, while not going far enough in the way of concession to secure Germany's adherence, was regarded as going too far for France. What, then, did the French Government propose should be done? M. Corbin suggested that the best course would be for Germany to return to Geneva and resume discussions there. I replied that, however desirable this might be, there was surely not the slightest prospect of Germany doing anything of the kind at the present stage. Would it not be better to use the recent exchanges of view as a means of fixing the unquestionable minimum which must be conceded if there was to be an agreement about arms at all? We objected to the German claim for military aeroplanes as much as the French did, but I was quite convinced that Germany would not give up the claim. The Ambassador agreed, adding that this was for the best of all reasons, viz., that Germany had the aeroplanes already. I added that no advantage was gained by letting things drift while we meditated on impossible solutions; what was wanted now was a frank realisation of the possibilities and a prompt decision as to whether there was any means of reaching agreement on that basis.

3. The Ambassador referred me to the passages in the French note which dealt with security, and I told him that this was a subject to which we had given very close attention, and we considered that our last memorandum marked a considerable advance towards meeting the French difficulty. Did

<sup>1</sup> Not printed. A translation of this note, with the addition of the date, March 17, 1934, is printed in Cmd. 4559 of 1934.

the Ambassador think that the French Government had reduced their ideas on this subject to a concrete form? I had no authority to suggest that more could be done, but, speaking personally, one of my difficulties in analysing the position was that the proposals so far were so indefinite. For example, the French note spoke of 'guarantees for execution' of the proposed arms convention, whereas in the past 'collective security' was a phrase used in reference to joint repression of an aggressor. The two ideas were not the same, for the event upon which the obligation would operate was different in the two cases. 'Guarantees for due execution' would come into play if it was established that a signatory to the Arms Convention was disregarding its terms; action under the head of 'collective security' would be called for in the event of an act of aggression or a breach of the Covenant. Had the French Government clearly analysed the difference between these two conceptions and which was the one which in present circumstances they regarded as the more practical proposal? I repeated that I was not indicating any view as to the possibility of either, so far as we were concerned, for the objection felt in this country to further commitments was, I knew, well understood by the French Government. The Ambassador said that he fully appreciated that in our conversation we were only analysing various ideas in the abstract, and he would be careful in his report to his own Government that there should be no misunderstanding. I pointed out that one of the major objections to 'collective security', as ordinarily understood, was that it involved world-wide obligations in a variety of future circumstances which could not be defined in advance—it might, for example, involve special British responsibilities in the Far East, or in the centre of South America. 'Guarantees for execution' of an arms agreement might be limited, perhaps, to a group of adjacent countries, and the particular event which would call the guarantees into play could be more precisely defined. But how would the decision be reached that a signatory had disregarded the agreement? The Ambassador suggested that this would be decided at Geneva. I replied that British policy stood for the support of the League of Nations, but my own experience was that the reaching of an executive decision at Geneva was a very slow process. The Permanent Disarmament Commission was to consist of sixty-four members, one from each State, and I should greatly fear that such a body would not be a very effective international Cabinet. There was also the difficulty that a distinction must be drawn between minor breaches and really serious infractions of the Arms Convention. I should be interested to know, for my own information, whether these and similar practical topics had engaged the attention of the French Foreign Office, as a general phrase like 'security' carried nobody into the heart of the discussion. The whole question of a disarmament agreement was now excessively urgent, not only because of changes in Germany and elsewhere, but because the 10th April was the date fixed for the resumption of the meeting of the Bureau.

I am, &c.,  
JOHN SIMON



*Note communicated to the Foreign Office by the French Ambassador on  
March 19, 1934<sup>1</sup>*

Après avoir délibéré avec tout le soin attentif qu'exigent les difficultés du problème du désarmement et la gravité de la situation internationale, le Gouvernement de la République soumet au Gouvernement britannique les réflexions et les résolutions que lui inspire le mémorandum du 29 janvier commenté par les résultats du voyage si utile de Mr. Eden.

Il constate d'abord que les deux Gouvernements et les deux pays, dont l'amitié confiante est la caution principale de l'équilibre général, sont d'accord sur les buts à atteindre. Animés du même esprit européen, ils veulent avec une bonne foi égale garantir la paix du monde contre les entreprises de la force. S'il apparaît des divergences entre les systèmes proposés, leur point de départ est commun et il est loin d'être impossible qu'un effort réciproque de franchise, de compréhension et de conciliation permette d'atteindre le résultat poursuivi. La France y est prête. Elle a, d'une façon spontanée, méthodique et continue, donné à son organisation militaire un caractère essentiellement défensif, où les réserves ne peuvent pas jouer un rôle immédiat; elle a unilatéralement, de 1920 à 1932, réduit de 66 pour cent la durée du service militaire, de 50 pour cent le nombre de ses divisions, de 25 pour cent ses effectifs, et, de juin 1932 à juin 1933, diminué de 2 milliards et demi de francs ses crédits de défense nationale. Ayant ainsi travaillé par des actes à l'œuvre du désarmement, elle ne se refuse à aucune concession, pourvu que la sécurité, c'est-à-dire le droit à la paix, de tous les signataires soit assurée à la fois par leurs propres moyens et par l'assistance efficace dont les traités ont affirmé le principe.

Le mémorandum britannique déclare 'qu'une réconciliation des points de vue de la France et de l'Allemagne est la condition essentielle d'un accord général'. Le Gouvernement français ne pense pas autrement. Il estime seulement et une fois de plus que cette réconciliation désirée serait la pire des solutions si elle reposait sur une équivoque. Aussi a-t-il pris la position la plus nette dans la réponse qu'il a faite le 1<sup>er</sup> janvier et le 14 février aux conversations engagées par le Reich. Ces deux notes ont précisé des positions et fixé des limites sur lesquelles trois Gouvernements s'étaient entendus à Genève le 14 octobre 1933. Le Gouvernement français n'a pas changé d'attitude. Il se résignerait difficilement à ce que le retrait de l'Allemagne de la Société des Nations, qui a troublé profondément les travaux de l'Assemblée de Genève, puisse créer à l'Allemagne des droits nouveaux et imposer à la France de nouveaux sacrifices, dont la défense de son territoire risquerait de souffrir.

Le Gouvernement français reconnaît l'effort loyal qu'a accompli le Gouvernement britannique pour dégager dans un intérêt de conciliation

<sup>1</sup> This note, with slight verbal differences from the text above, is printed in the French official publication, *Négociations relatives à la réduction et à la limitation des armements*, Document No. 18.

les bases d'un compromis acceptable. Mais la transaction que ce compromis apporte exige une observation préalable qui en fixe le caractère.

Le Gouvernement de la République n'a pas cessé de maintenir la question du désarmement sur le terrain des principes posés par l'article 8 du Pacte et par le préambule de la Partie V des Traités de Paix. Il a toujours envisagé une réduction contrôlée des armements, aménagée progressivement jusqu'à un niveau permettant la réalisation de 'l'égalité des droits dans un régime de sécurité'.

Ce système, dont l'Allemagne avait pourtant accepté le principe, s'est heurté à l'exécution continue du programme qu'elle a poursuivi depuis de longues années pour porter ses armements à un niveau très supérieur à celui que les traités ont autorisé.

Soucieux d'établir une conciliation entre les principes respectés par la France et l'attitude prise par l'Allemagne, le Gouvernement britannique associe aux réductions immédiates d'armements imposées à certaines Puissances des accroissements immédiats des armements accordés à d'autres Puissances.

C'est la conception même d'un tel plan de désarmement qui appelle les plus sérieuses objections. Si grand que soit de la part de la France le désir de signer une convention équitable, elle ne peut ni comprendre ni admettre que l'exagération des prétentions de réarmement formulées d'un côté constitue un argument pour demander à d'autres Puissances des réductions d'armements qui lèsent les intérêts de leur sécurité. Aussi bien le Gouvernement britannique a-t-il lui-même discerné l'injustice et l'inconvénient de cette méthode, puisque dans l'ordre des armements aériens, le mémorandum du 29 janvier maintient à titre provisoire l'interdiction faite aux États désarmés par les traités de posséder une aviation militaire. Le Gouvernement français adhère sans réserve à ce point de vue.

Au contraire, il a le devoir de faire les réserves les plus expresses sur la demande du Gouvernement allemand, qui a revendiqué sans délai un chiffre de 300.000 hommes pour son armée régulière (avec les matériels correspondants) sans examen préalable de la situation actuelle de cette armée. Les revendications de cette nature modifient du tout au tout le problème des armements tel que l'avaient posé les auteurs des Traités de Paix. Leur acceptation aurait pour objet de renier et de ruiner les principes du Pacte de la Société des Nations et de la Conférence du Désarmement qui en est l'issue. Seule la Commission générale pourrait dire, avec la participation de tous les États intéressés, si ces principes, qui ont jusqu'ici guidé ses travaux, doivent être abandonnés. Il ne saurait échapper à personne qu'une telle décision étendrait inévitablement ses effets jusqu'au domaine naval, même si pour des raisons d'opportunité et en dépit de l'interdépendance incontestable des armements, il paraissait préférable, avant de fixer les nouvelles limitations navales, d'attendre la réunion d'une conférence.

En attendant, le Gouvernement français appelle l'attention amicale du Gouvernement britannique sur une réflexion générale qui présente à ses yeux une réelle importance. Si elles étaient dégagées des obligations juridiques

qu'elles ont souscrites, les Puissances ne prendraient en considération, pour se déterminer, que leur intérêt direct. Instruits par les leçons du passé, les Gouvernements voudraient avant de se lier posséder la certitude que la nouvelle convention ne connaîtrait pas dans l'avenir le sort des clauses militaires des Traités de Paix. D'un mot plus bref, ils ne consentiraient pas à être les victimes de leur bonne foi.

En particulier, l'expérience des dernières années a appris au Gouvernement français, dont les sacrifices se sont étendus à tous les domaines, que chaque concession nouvelle a conduit à une exigence nouvelle ou à une nouvelle violation des traités. Il lui échappe moins qu'à tout autre que les conditions mêmes dans lesquelles certains pays développent à l'heure actuelle leurs armements posent des problèmes particulièrement délicats; il apprécie vivement l'effort tenté par le Gouvernement britannique à l'égard des formations paramilitaires contre lesquelles s'étaient élevés les mémoranda français du 1<sup>er</sup> janvier et du 14 février. Le Gouvernement allemand admet aujourd'hui la nécessité de définir les activités qui devront être interdites à ces formations, afin qu'elles sortent de l'organisation militaire dont elles suivent actuellement la forme et les statuts pour se confiner dans l'ordre politique.

Il n'en restera pas moins à déterminer des points importants qui touchent aux formations prémilitaires, aux modalités du contrôle, aux mesures transitoires, à la limitation des dépenses et plus particulièrement aux fabrications de matériel de guerre, sur lesquels la délégation française a soumis depuis plusieurs mois des amendements au plan britannique.

Si grande que soit l'importance pratique de ces questions, elles sont toutes dominées, et de très haut, par le problème essentiel des garanties d'exécution. Comme le marque nettement le Gouvernement britannique, un accord n'a de chances d'être réalisé que 'sur une base large, qui combine la réglementation des armements avec des assurances dans le domaine politique'.

Cette déclaration pose le principe même dont le Gouvernement français avait fait une des conditions d'application du Traité de Versailles, et qu'il n'a depuis cessé d'affirmer dans les conférences internationales. Un tel principe ne vaut que par les moyens qui lui donnent une force efficace. Les Puissances qui accepteront des limitations d'armement[s] ont le droit de connaître et le devoir de mesurer les conséquences de leurs concessions. Quand les intérêts vitaux des États sont en jeu, les affirmations générales, si haute que soit la loyauté de ceux qui les expriment, ne peuvent pas suffire. Il ne suffit même pas que les conventions permettent un contrôle strict de l'exécution, car le contrôle constitue moins une garantie qu'un moyen de mettre en œuvre des garanties. Que signifierait pratiquement le contrôle si, en présence des violations qu'il aurait révélées, l'État, menacé par ces manquements, n'avait d'autre ressource que de s'affranchir lui-même de ses propres obligations? Quand un engagement a été contracté envers la communauté internationale, sa violation doit être considérée comme une menace pour la communauté elle-même.

Tel est l'esprit dans lequel, soucieux à la fois de la solidarité européenne et

de sa propre défense, le Gouvernement français a examiné les propositions de consultation formulées dans le mémorandum britannique. Ces propositions constituent un pas en avant qu'il serait injuste de négliger; mais un engagement de consultation, en cas de violation de la convention, est-il apte à assurer le redressement du manquement constaté? Le Gouvernement français ne le pense pas. Il faut de toute évidence quelque chose de plus. La délégation française, qui ne s'est jamais tenue à de simples négations, a fait savoir au Président de la Conférence que l'accord des signataires doit exister, dès le principe même, sur quelques points essentiels.

Ainsi les signataires doivent en particulier reconnaître l'impérieux devoir qui leur incombe, tout en adaptant l'importance des sanctions à la gravité de l'infraction révélée par le contrôle, de redresser sans délai cette infraction par tous les moyens de pression qui seraient reconnus indispensables.

De même, il doit être admis que si les violations constatées mettent en danger la sécurité d'un autre État, l'action solidaire des Puissances devra s'employer à rétablir, au profit de l'État menacé, l'équilibre rompu. Cette solidarité devrait jouer à plus forte raison si la violation dégénérât en agression.

Le Gouvernement français ne peut ni oublier ni méconnaître la promesse d'assistance à laquelle le Gouvernement britannique s'est engagé par le Pacte rhénan et il en apprécie la valeur. La France conserve sa confiance aux garanties que le Traité de Locarno a enregistrées; mais la convention projetée est d'un ordre si largement international que le Gouvernement français ne peut pas se soustraire au souci d'autres Puissances qui ont, elles aussi, leurs légitimes préoccupations de sécurité. Ce n'est pas assez d'une intention, si nettement affirmée qu'elle soit dans son principe, pour les garantir contre tout risque d'agression. D'abord, l'agression doit être formellement interdite. Ensuite, si elle se produit, elle doit être effectivement réprimée par les moyens que le Pacte de la Société des Nations a lui-même prévu[s].

En dernière analyse, c'est toujours à la Société des Nations et au Pacte qui la fonde qu'il faut revenir. Quoi qu'on ait dit ou tenté contre elle, elle demeure la seule organisation susceptible de fournir une garantie collective de la paix. Le Gouvernement de la République lui reste fidèlement attaché. Aussi s'est-il félicité de voir le Gouvernement britannique faire de la rentrée de l'Allemagne à la Société des Nations une 'condition essentielle' de la signature d'une Convention sur le Désarmement. L'Allemagne ne saurait donner de meilleure garantie à l'équilibre du monde que son retour, libre de toute contrainte, à la communauté des États où elle a été admise. Ce retour créerait une détente susceptible de préparer et de favoriser les accords dont la France, vouée d'un cœur unanime à l'œuvre de la paix, affirme à nouveau l'utilité. Afin de faire aboutir une convention, elle ne se dérobera à aucun contrôle, si rigoureux qu'il puisse être, qui serait établi sur des bases réciproques. Elle n'a rien à cacher.

Le Gouvernement de la République a pensé que seule une réponse franche, qui écarte les solutions impossibles, serait digne de l'initiative prise par le

Gouvernement britannique. Il ne saurait accepter aucun projet qui aggraverait le désarmement de la France en accordant, par contre, à l'Allemagne la légalisation, immédiate et difficilement limitable, d'un réarmement dès maintenant réalisé en violation des traités. Cette solution serait en contradiction avec les principes plus rationnels et plus prudents qui ont inspiré depuis deux ans la Conférence du Désarmement. C'est en revenant à ces principes que l'effort solidaire de tous les pays pourra trouver la solution qui conciliera l'égalité reconnue avec les droits non moins inaliénables de la sécurité.

No. 356

*Sir W. Selby (Vienna) to Sir J. Simon (Received March 26)*

*No. 56 [R 1816/37/3]*

VIENNA, March 19, 1934

Sir,

I have received from His Majesty's Consul in Innsbruck a series of valuable reports covering events in the several Western Provinces since the beginning of February.

2. In the main the conclusions reached accord with paragraphs 2 and 6 of my despatch No. 50<sup>1</sup> of the 5th instant. Mr. Henderson is of the opinion that the Government's position in the provinces has been strengthened, for the time being, by their drastic onslaught upon the much-hated Socialism of 'Red' Vienna. He also reports a feeling of temporary despondency or bewilderment among the Nazis of his district, who doubtless hoped that Germany would exploit the difficulties with which the Austrian Government was faced to her own advantage and their aggrandisement. How far this despondency denotes a diminution of the Nazi danger I hesitate to say; the more so as both Mr. Consul Henderson's reports and my own observations indicate the recrudescence of a petty jealousy and rivalry between the Heimwehr and the Christian Social party which has become public in an open controversy between the Heimwehr and Dr. Ender—Minister for Constitutional Reform—in Vorarlberg. It will, in this connexion, be remembered that since 1921 the various parties in the coalition Governments were only kept together by their common hatred of Socialism; the disappearance of the latter therefore renders absolutely necessary the abolition of parliamentary government if Austria is not to fall a prey to National Socialism through the ballot box, in which Herr Hitler openly declares his faith.

3. In obedience to the dictates of the Church, the Government is further believed to be planning to revoke the right of civil divorce, which was primarily a Socialist measure. This action, though aimed principally at Socialists, will hit a number of middle-class supporters of the Government whose marriages have during the past ten years been annulled civilly. In

<sup>1</sup> No. 332.

this and in other ways—as, for instance, in the schools—a lack of tolerance is being shown which, though natural, is hardly likely to lead to unity or contentment. The Jewish Medical Association has been compelled, as a result of press attacks, to threaten with legal proceedings those who accuse Jewish doctors of deliberately promoting sterilisation; and in Jewish circles there is deep anxiety at reports of the Government's intention to limit the percentage of Jews in the professions.

4. On the other hand, there is little doubt that, for the moment, the Government is sufficiently master in its own house to be able to gather into the 'Vaterländische Front' all, be they Socialists or Nazis, whose livelihood depends upon their taking a stringent oath of loyalty to the Government. By a decree empowering private employers to follow the Government's lead by dismissing instantly without compensation or pension any employee found guilty of political or other activities hostile to the Government, the latter has further strengthened its hold over labour, and its decree revoking the right of any doctor or lawyer to practise his profession if he be found similarly guilty means that a sword of Damocles will hang over these professions, whose members are notoriously given to secret support of the Nazi or Socialist causes.

5. For reasons of caution, if not conviction, all is now, therefore, quiet, and there has been a complete absence of any recrudescence of Nazi terrorist activities since the Habicht 'truce' ended, seemingly, in that leader's discomfiture at Herr Hitler's hands. But the general feeling of all but the fanatical supporters of the Socialist cause is, to my mind, accurately summed up in the words of a young teacher who recently said: 'We are all waiting for Dr. Dollfuss to give us bread. If he succeeds where others failed, we shall cause him no trouble; if not, he will go after the harvest.' Although I hesitate to attribute the same sentiments to the fanatical youths who form the mass of Austrian Nazis, I believe that the Chancellor will stand or fall by his ability or failure to better the economic condition of this country, in which task it may be doubted whether Italy's assistance can alone suffice. At the moment, however, there is a lull in the Austro-German battle, and many in Austria believe that Herr Hitler's next move will be the offer of conditions to Austria which will place the Cabinet and Chancellor in a serious dilemma. Chief among these offers is mentioned a removal of the 1,000-mark visa; but as yet these are but rumours, and the Chancellor seems, in many ways, to be doing his best to breast the Fascist flood which threatens to engulf him and all other moderates.

6. I am sending a copy of this despatch to His Majesty's Ambassador at Berlin.

I have, &c.,  
W. SELBY

No. 357

*Lord Tyrrell (Paris) to Sir J. Simon (Received March 21)*

*No. 508 [W 2786/1/98]*

PARIS, March 20, 1934

His Majesty's representative at Paris presents his compliments to the Secretary of State for Foreign Affairs, and has the honour to transmit to him copy of report No. 199 from His Majesty's Military Attaché respecting conversations with General Weygand and Colonel de Lattre de Tassigny on the 16th March regarding disarmament.

ENCLOSURE IN No. 357

*Colonel Heywood to Lord Tyrrell*

No. 199. (35/c)  
The Ambassador,

PARIS, March 16, 1934

I called on General Weygand today to pay my respects before leaving for Morocco and to find out what likelihood there was of his coming to Morocco during my visit there, the likelihood of such a visit having been mentioned by him on the last occasion on which I saw him. He had just finished conducting a war game; he told me that he was busier than ever and that he feared he would not, after all, be able to spare the time to go over to Morocco, for so much time had to be wasted on the journey. He was glad to be able to say that the operations in Morocco<sup>1</sup> had progressed very much faster than he had anticipated, thanks to careful organisation and preparation; the casualties had been very light. He had a very high opinion of General Huré, who was a sound, calm and careful commander.

2. We did not have time to discuss the disarmament situation at length, as another visitor was waiting to see him; but the following appears to be of particular interest in view of Mr. Baldwin's recent speech<sup>2</sup> and of the fact that General Weygand's opinions must carry more weight with the present Government than they did with any of those which preceded it. He thought that the various disarmament conventions which had been proposed had tried to achieve too much at a time, but that a convention forbidding bombing from the air might have been, and possibly still could be, achieved,

<sup>1</sup> French troops carried out a pacification operation in south-west Morocco in February and March 1934.

<sup>2</sup> In a speech in the House of Commons on March 8, on the Air Estimates for 1934, Mr. Baldwin said that the Government were still hopeful of achieving an arms convention, or at least an air convention. The British policy of parity between air forces was the answer to the universal fear of sudden air attack, because no equal would dare to try a sudden blow at equals. Mr. Baldwin added: 'In conclusion, I say that if all our efforts fail, and if it is not possible to obtain this equality in such matters as I have indicated, then any Government of this country—a National Government more than any, and this Government—will see to it that in air strength and air power this country shall no longer be in a position inferior to any other country within striking distance of our shores.' See Parl. Deb., 5th ser., H. of C., vol. 286, cols. 2074–8.

most countries being agreed on this point; he personally held the opinion that air bombing was a barbarous and uncivilised method of warfare and should be abolished; aircraft should be restricted to reconnaissance and artillery observation. He himself had suggested to the French Government two years ago that a convention should be drafted forbidding bombing from the air, and including the safeguard that any nation which carried out bombardments from the air should automatically be considered as the aggressor and find itself outlawed by all the other signatories of the convention.

3. I also had an interesting conversation with Colonel de Lattre de Tassigny, who pointed out that everything that he had told me last November (see my 959 (3/k)<sup>3</sup> of the 9th November, 973 (3/k)<sup>4</sup> of the 11th November, 980 (3/k)<sup>5</sup> of the 14th November) was rapidly coming true. Germany would, by the 1st April, have her army of twenty-eight divisions and 300,000 men. This army was purely a defensive army and intended as such by the Germans. The Germans were terribly afraid of sanctions, and did not seem to realise that, as far as France and Great Britain were concerned, the policy of sanctions was dead; Germany's exaggerated fear of them made him wonder sometimes whether such a policy would not, after all, have been successful, and whether Germany would not have contented herself with a kind of guerrilla warfare west of the Rhine, without offering any real resistance until the Rhine was reached.

4. He was convinced that, now that Germany's defensive army, which was a defence against France, had materialised, Germany would feel freer to pursue her policy in other directions; she was working hard on improving her industrial position, and he thought that within three months of saying the word Germany could be in a position to produce arms on a war scale. He thought that in two years' time Germany's military strength would be such as to enable her to take the offensive if she wished; he did not believe that Germany had any intention of attacking France even then, but that she would seize any opportunity which offered for pursuing an offensive policy in Central and Eastern Europe. He thought that such an opportunity might arise if and when a clash occurred between Japan and Russia in the Far East. In his opinion, the Russians made a mistake in counting too much on America; they were getting a few good [*sic*] million dollars from the United States of America, but America would certainly not join in a war between Russia and Japan. He thought that, if Germany were ready by the time this clash occurred, she would seize the opportunity to seek territorial expansion in Central and Eastern Europe; to him it seemed quite likely that Prague would be Germany's first objective, and the great question then would be whether the Western Powers—Great Britain and France—would stand by and witness another Sadowa, or whether they would take any action to prevent it.

<sup>3</sup> Not printed. See No. 48, Enclosure 1, note 1.

<sup>5</sup> See No. 48, Enclosure 2.

<sup>4</sup> See No. 48, Enclosure 1.



5. He said that people in England who thought that there could be any further reduction in the French army were quite mistaken. Such reduction was utterly out of the question in the present circumstances. I had no doubt seen the maps in General Weygand's room; General Weygand had just been holding a series of war games, and the conclusion was that not only could they not reduce the present effectives of the French army, but that 20,000 to 30,000 more men were required to render the 'couverture' effective. These men would have to be scraped together somehow or other, and several of the economies which had been started last year would have to go by the board. This did not mean that France had any intention of increasing her army, but simply that these numbers were required to render her present organisation effective.

6. In answer to my suggestion that this would make the problem of the lean years even more difficult to solve, he said that in 1936 the question of increasing the period of service, possibly to fifteen, possibly to eighteen months, would have to be seriously considered. . . .<sup>6</sup>

T. G. G. HEYWOOD,  
Colonel, G. S., *Military Attaché*

<sup>6</sup> The two concluding paragraphs of this report dealt solely with French domestic politics.

No. 358

*Sir E. Drummond (Rome) to Sir J. Simon (Received March 27)*

*No. 246 [R 1876/1287/3]*

ROME, March 20, 1934

Sir,

I enquired of Signor Suvich, whom I saw this morning, whether he was satisfied at the results of the recent visits of the Austrian Chancellor and the Hungarian Prime Minister to Rome. He replied that on the whole he was, though much still remained to be worked out on the economic side. I asked him how the political and economic protocols<sup>1</sup> had been received by the Little Entente. He answered that as regards the political protocol he personally was under attack because it was said that he had given assurances that no political agreement would be signed. In point of fact, all that he had told enquirers previous to the visits was that no new political arrangements would be made, and this was in essence perfectly correct since the political protocol only confirmed the existing state of affairs. Signor Suvich pointed out that the protocol did not provide automatically for consultation in all cases, but only when one of the three countries thought that such a consultation was desirable. Personally, I feel that Signor Suvich's explanations are not wholly convincing. I am inclined to think that the original intention was that no political agreement should be concluded, but that either Signor Mussolini or General Gömbös during their first conversation,

<sup>1</sup> See No. 353, note 3, and No. 361.

before the arrival of Dr. Dollfuss, suggested that a meeting of the three Prime Ministers would hardly be regarded as a success, unless some political document were signed, particularly in view of the necessity of strengthening Dr. Dollfuss's position; after this conversation Signor Mussolini seems to have prepared a draft. Signor Suvich does not feel inclined to confess that his original statements were inaccurate and has therefore put forward the explanation to which I have referred.

I should perhaps add, for completion of record, that whereas it was true at the moment of drafting my despatch No. 242<sup>2</sup> of the 17th March that the German Ambassador had called on General Gömbös and not on the Austrian Chancellor—a fact which had caused some comment here—this omission was remedied the last day of the meeting, and, in fact, Herr von Hassell and Dr. Dollfuss did have a meeting on the afternoon of the 17th March.

2. Signor Suvich stated that the Little Entente expected to be consulted immediately over, and asked to participate in, any economic or commercial agreements which were made. This, however, was not possible. If an invitation were at once issued to the Little Entente, a similar invitation would have to be issued to Germany, and if the latter were a partner in economic arrangements of this kind, she would practically 'eat up' the other participants. It had, therefore, been decided to move slowly, and to allow matters some little time to develop. This did not, however, exclude the ultimate participation of the Little Entente in certain economic arrangements.

3. From a discussion of the protocols we passed to the recent speech made by Signor Mussolini.<sup>3</sup> I said to Signor Suvich that there were two points in particular in this speech on which I should be grateful if he could give me further information. Signor Suvich observed that I must remember that the speech was made for internal consumption and dealt mainly with internal affairs, and it was only so far as they affected these that foreign affairs were touched on. It was for this reason that Signor Mussolini had confined himself to describing briefly Italian relations with the limitrophe countries, though of course Hungary had been mentioned because of the recent visit of General Gömbös. He would, however, be very glad to give me any information which lay in his power. I said that the first point that had struck me was the emphasis laid on pledges given to Hungary at the time of the signature of the peace treaties. I did not personally recollect any such engagements being taken by the Allies towards Hungary, though there were, of course, the minorities treaties and Article 19 of the Covenant; but what was there beyond these? Signor Suvich said that he, too, was a little puzzled and would look up the reference. Was there not a letter from M. Millerand to the Hungarian Peace Delegation?<sup>4</sup> He had often heard

<sup>2</sup> Not printed. This despatch reported on the visit of Dr. Dollfuss and General Gömbös to Rome.

<sup>3</sup> On March 18, to an assembly of leaders of the Fascist régime.

<sup>4</sup> This letter of May 6, 1920, which enclosed the reply of the Allied and Associated Powers to the Hungarian observations on the peace terms, is printed in *The Hungarian Peace Negotiations* (Budapest, 1921), vol. ii, p. 545.

the Hungarians talk of this letter, and he thought it must exist. I replied that I personally had no recollection of it. Signor Suvich promised to let me know in due course the result of his researches.

4. I said that the second point which seemed to me to be somewhat obscure was the references to Yugoslavia. There was one particular phrase from which it would appear that relations between Italy and Yugoslavia depended on certain developments. Could he tell me what these were? Signor Suvich observed that the 'developments' concerned in particular two matters. The first was whether negotiations could be undertaken with Yugoslavia alone or only with the Little Entente as a whole. Sometimes the members of the Little Entente spoke with individual voices and sometimes with a collective voice. It was in reality impossible to treat with any of the three countries until this point was definitely cleared up. The second difficulty was the amount of irredentism still prevailing in Yugoslavia. I remarked that I had understood that the press attacks on Italy had very largely ceased. Signor Suvich replied that he received quarterly bundles of documents showing that the irredentist movement was extremely active both by way of printed propaganda and in other directions. The irredentist movement in Italy centred on Dalmatia had calmed down, but the movement on the Yugoslavia side was still very strong. He added that the passage in the speech relative to Yugoslavia should, however, be regarded as an invitation to Yugoslavia to explore the ground so that the relations between the two countries might be placed on a more solid and friendly basis.

5. Signor Suvich did not seem to fear that Yugoslavia might be tempted in view of the new arrangements to shape her policy within the German orbit. In this connexion he spoke incidentally of the relations between Yugoslavia and Hungary and expressed the hope that the former might some day be induced to make some small territorial concessions in Hungary's favour.

6. I should perhaps add that I enquired of Signor Suvich whether he had any confirmation of a newspaper report to the effect that during Dr. Dollfuss's absence from Austria trouble had arisen between certain leaders of the Heimwehr and of the Christian Socialist party. He stated that he had heard nothing of this, and believed it to be entirely untrue. He remarked that Dr. Dollfuss was not only courageous but extremely astute, and he believed that he had the situation well in hand. Signor Suvich certainly has the highest respect for Dr. Dollfuss's skill as a negotiator.

7. I understand that French and Little Entente circles here are considerably perturbed by the substance of the protocols and by the speech made by Signor Mussolini on the day following their signature, viz., the 18th March. They apparently had no inkling of what was passing in the political sphere, and in spite of Signor Suvich's explanations they are not satisfied that the protocols simply represent a confirmation of the existing state of affairs. It may be that this resentment is largely due to the fact that no knowledge of what was intended was allowed to reach them from official sources. May it not, however, be the case that France and the Little Entente will have to

choose between accepting with as good a grace as possible, and ultimately co-operating in the present agreements between the three countries, or endeavouring to render them ineffective with the probable result that Dr. Dollfuss will be unable to maintain his position as against the Nazis and Austria and Hungary definitely pass under German influence? They are in fact placed by Signor Mussolini's move in an extremely difficult dilemma, and it is perhaps the knowledge of this fact that is causing at present so much irritation.

8. Since writing the above I hear that Signor Mussolini is somewhat upset at these reactions to his speech. He said, in effect, to a friend: 'Why cannot the French and the Little Entente understand that I am compelled to talk of revision if I am to hold the Hungarians and prevent them passing into the German camp? It is essential to keep both Austria and Hungary under my influence and the French and the Little Entente ought to understand this. They cannot themselves provide any other method of obtaining the above end.' In short, he considers that the French ought at least to appreciate and help forward, rather than resent his Central European policy, particularly as Germany is making considerable efforts to influence Yugoslavia.

9. Copies of this despatch are being forwarded to His Majesty's Representatives at Vienna, Budapest and Belgrade.

I have, &c.,  
ERIC DRUMMOND

No. 359

*Lord Tyrrell (Paris) to Sir J. Simon (Received March 21, 6.30 p.m.)*

*No. 66 Telegraphic: by telephone [W 3074/1/98]*

PARIS, March 21, 1934

Your telegram No. 64.<sup>1</sup>

The following represents my personal appreciation of situation. I submit it with reserve necessitated by fact that it is not based on specific enquiry from M. Barthou but I believe it to represent responsible official opinion.

2. The key to a convention so far as France is concerned still remains . . .<sup>2</sup> of guarantees afforded. French *desiderata* in this respect are those expressed in letter of last December to Mr. Henderson.<sup>3</sup>

3. On the other hand there is the strongest objection here to principle of rearmament of Germany simultaneously with disarmament of France. I do not believe this or any Government would be able to accept this. As Hitler is determined on immediate rearmament in lower categories of arms and as British plan accepts this we must renounce hope of any immediate French reductions. Here, however, Hitler himself offers to help by proposing that reductions by heavily armed Powers should be postponed to a later period.

<sup>1</sup> This telegram has not been traced in the Foreign Office archives.

<sup>2</sup> The text is here uncertain.

<sup>3</sup> See No. 172, note 2.

4. Question arises therefore whether, if French proposal to Mr. Henderson regarding guarantees and Hitler's proposal to postpone reductions were both adopted in revised British plan, it would then become acceptable here.

5. Outstanding difficulties would then be:—

- (1) Para-military bodies.
- (2) Immediate concession of aircraft to Germany.
- (3) German return to the League.

I believe Hitler's proposed restrictions on (1) extended to cover pre-military bodies as well would satisfy French if they were satisfied on other points. (2) Is a difficult pill for the French to swallow. French Government will insist on (3) but provided Germany consents to return agreement should be possible on the formula for return to save their [*sic*] face.

6. A further important French requirement is that there should be a definite limitation of *quantities* and not only of qualities of authorised arms to be allowed Germany immediately, otherwise there would be risk of an armaments race in these categories. French Government would doubtless accept a limitation to be applicable to all, but system of supervision must extend to factories to ensure that this limitation is being adhered to.

7. As regards existing reserves of material French service Departments will refuse any investigation. For this reason French Government will be obliged, although with some show of reluctance on the part of politicians, to renounce any similar investigations into actual state of German armaments.

8. As regards 'guarantees of execution' and 'collective security' the distinction is well understood here. Former is confined to Disarmament Conference [*sic* ? Convention] whilst latter falls within Covenant. I believe it should be possible to satisfy French opinion by accepting in Disarmament Convention guarantees proposed in letter to Mr. Henderson whilst leaving vague the wider commitment of Covenant. Also any suggestion of limiting to Europe only scope of guarantees contained in Convention would be understood here and possibly even welcomed.

9. There are admittedly two schools of thought in France one of which believes any convention in present circumstances which would bind France would be injurious as it is assumed Germany would not observe its terms, and the other which while hardly less mistrustful of German *bona fides* yet holds that even an indifferent convention is worth while because it would afford certain limits on rearmament and would maintain the principle of international solidarity. I believe the latter school will still win the day if it can be met on the lines indicated above, although in the present political conditions of this country it is almost impossible to make any safe forecast what the Government's action will be. It is a far from strong Government and consequently very subject to popular pressure.

10. I understand the French Government consider the next move is with us and that the series of exchanges initiated by His Majesty's Government having now been completed it is for the latter to review the situation and to formulate their conclusions.

No. 360

*Sir E. Phipps (Berlin) to Sir J. Simon (Received March 22)*

*No. 68 Saving: Telegraphic [W 2832/1/98]*

BERLIN, March 21, 1934

I tried, in the course of an after-dinner conversation at General von Blomberg's on March 19, to elicit from my host something more definite regarding German air requirements; but he was evasive, merely assuring me that France was the villain of the piece and that it would always be easy for Great Britain and Germany to reach agreement in the matter.

2. General von Blomberg told me that he had discussed with the Chancellor the apparently unfortunate effect produced in England by General Göring's Potsdam speech,<sup>1</sup> and Mr. Eden's reference thereto in the House.<sup>2</sup> Herr Hitler admitted that he himself would not have made the speech. I confirmed its bad effect in England.

3. I cannot help feeling rather grateful to General Göring. He has supplied a resounding negative to the British pacifists' repeated question 'cannot the Prussian leopard . . .?' Moreover it must be remembered that such a combination of place and person could hardly fail to prove irresistible. Lunching with the Warden of New College, General Göring might pass as almost civilised; but stimulated by Potsdam goose-steps and other Prussian paraphernalia he was bound to revert to type. In fact he and Potsdam resemble those two powders which, separated, are innocuous, and only when placed in the same recipient [*sic* ? receptacle], explode.

<sup>1</sup> In a speech at Potsdam on March 9, General Göring said that the spirit of Prussia would continue to govern the destiny of Germany. It had enabled Germany to defy the world and would again bring her to greatness. Germans should be proud to be regarded abroad as a nation of militarists, for they knew that with the return of the Prussian spirit of devotion to duty the Reich had regained its honour.

<sup>2</sup> Mr. Eden referred to General Göring's speech in the course of a debate on foreign affairs in the House of Commons on March 14. See Parl. Deb., 5th ser., H. of C., vol. 287, col. 389.

No. 361

*Minute by Mr. Sargent<sup>1</sup>*

[R 1874/1287/3]

FOREIGN OFFICE, March 21, 1934

Signor Vitetti called this afternoon, on instructions from his Government, to give some explanations regarding the three Protocols signed in Rome between the Italian, Austrian, and Hungarian Governments. The upshot of the long telegram he read to me was that the Political Protocol was inspired by the same principles as those which inspired the Four-Power Pact;

<sup>1</sup> Copies of this minute were sent by despatch on March 28 to Rome, Paris, Belgrade, Budapest, Vienna, Bucharest, and Prague.

that it was not intended to constitute an exclusive *bloc*; and that it was not in any way inimical to the interests of the Little Entente.

As for the two Economic Protocols, the Italian Government wished it to be clearly understood that they were based on the recommendations of the Stresa Conference and on the proposals contained in the Italian memorandum<sup>2</sup> of last winter, and that any concrete schemes which might be elaborated as a result of these Protocols would take into full account the interests of other States.

I enquired whether these assurances had been communicated equally to the French and Little Entente Governments. Signor Vitetti said he assumed this was the case, since the telegram he had received was a circular telegram.

I reminded Signor Vitetti that at our last meeting he had assured me that the Rome conversations would be limited to economic discussions. He agreed that this too had been his impression, but on reading through his previous instructions he realised that the Italian Government had always contemplated that their economic agreements would require some sort of preamble explaining the political motives which rendered them necessary, i.e. the maintenance of Austrian independence. Protocol No. 1 had now emerged as a separate document, but in truth it was really nothing more than the preamble to the two Economic Protocols.

Signor Vitetti then went on to speak of Signor Mussolini's speech.<sup>3</sup> He recognised that whereas the Protocols had received quite a good press both in this country and in France, the speech was receiving a good deal of criticism. Signor Vitetti was at pains—though here he was speaking personally and without instructions—to explain away the provocative passages in the speech. In the case of France, all that Mussolini had intended to imply was that now that a general *détente* had been reached between France and Italy, it was time for the French Government to come forward with proposals for a settlement of the specific questions which were outstanding between the two countries. Some such notification had become necessary in view of the negative attitude adopted by the present French Government.

As regards the reference to Hungary's claim to revision, Signor Vitetti suspected that Signor Mussolini had not found it altogether easy to convince General Gömbös that it was in Hungary's interest to collaborate with Italy in the policy of maintaining Austrian independence. General Gömbös was somewhat tempted by the idea that if Germany absorbed Austria, Hungary might be able to come to terms with Germany in such a way that the latter would be ready to assist Hungary to obtain a revision of the Hungarian frontiers. It was essential therefore for Signor Mussolini to demonstrate to General Gömbös that by co-operating with Italy Hungary would not be abandoning her prospects of revision. As, however, he did not wish to put anything into the Protocol on this subject, Signor Vitetti supposed that he had decided that the best way of giving General Gömbös the satisfaction he required was by making some allusion in his speech to the Hungarian claim to frontier revision.

<sup>2</sup> See No. 343, note 2.

<sup>3</sup> See No. 358, note 2.

Lastly, in the case of Yugoslavia, Signor Vitetti pointed out that we should be wrong to attach too much importance to the somewhat grudging qualifications which Signor Mussolini had made when speaking of a possible improvement in Italo-Yugoslav relations. What was important was the fact that this was the first occasion on which Signor Mussolini had publicly and definitely recognised the need and importance of an Italo-Yugoslav *détente*. This represented an important change of policy—a change of policy moreover which could only be carried through gradually and step by step, so as to accustom public opinion in Italy to what was, after all, a complete transformation of the anti-Yugoslav policy which the Italian Government had been following ever since the War.

I said I hoped that the Yugoslav Government would accept this interpretation of Signor Mussolini's words, and that the present opportunity would not be lost for establishing Italo-Yugoslav relations on a basis of close co-operation. It seemed to me that the present moment was an important one, and that Italy had every reason for doing all she could to attract Yugoslavia within her orbit, for there was a real danger that if she repelled her now, Yugoslavia might be tempted to gravitate more and more towards Germany in the coming years.

Signor Vitetti seemed to agree, but complained that co-operation with Yugoslavia was always difficult because the Yugoslav Government used Italophobia as a cement with which to bind the Yugoslav State together. Moreover, Yugoslavia always opposed any attempt at a Franco-Italian *rapprochement* because they feared that it would mean that they would be abandoned by France to the tender mercies of Italy.

On the whole Signor Vitetti had the impression that in the coming months it might be easier for the Italian Government to work in the Austrian business in co-operation with Czechoslovakia than with Yugoslavia.

O. G. SARGENT

No. 362

*Sir E. Phipps (Berlin) to Sir J. Simon (Received March 28)*

*No. 323 [C 1982/29/18]*

BERLIN, March 21, 1934

Sir,

I have the honour to report that a member of my staff dined recently with Herr Treviranus<sup>1</sup> and met Dr. Brüning. In conversation after dinner Herr Treviranus and Dr. Brüning expressed the following views on the present political situation:—

2. Herr Treviranus foresaw a steady deterioration in the situation and an increase of tension between the moderate and radical elements such as

<sup>1</sup> Leader of the German Conservative People's Party and Minister of Transport in Dr. Brüning's last Government.



would eventually come to a head. He did not think that there would necessarily be any immediate crisis, and in fact that it might not come until the autumn of 1935. When the issue had to be joined he thought the Reichswehr would probably play a decisive role. They realised this and were keeping a careful watch on developments. Herr Treviranus seemed to think that if moderation prevailed, Dr. Brüning might return to the Government, not as Chancellor, but as Foreign Minister, or he might accept an Embassy at, say, Washington or London.

3. Herr Treviranus thought that a monarchy would eventually be re-established, though it might not be for some years. He did not believe that the old governing caste would regain their position, but that a moderate Nazi Government would derive its chief support from the Reichswehr and what he called the 'Gewerkschaften' (i.e., trade unions). If the President were to die in the immediate future Herr Hitler might, in the opinion of Herr Treviranus, combine the office of President with that of Chancellor for a period, but he would come to see that it was inconvenient to unite in one person the functions of the representative head of a State and its general manager.

4. Herr Treviranus did not seem anxious about developments in the immediate future. The position of Herr Schmitt and the orthodox members of the Administration had been strengthened by the newly announced measures, reported in my despatch No. 298<sup>2</sup> of the 14th March, and he believed that the Labour Trustees to be appointed in the near future would be moderate men. There was, however, much discontent and jealousy in the ranks of the S.A. In their gatherings once or twice a week the chief topic of conversation is: Who has got promotion to a good job and why should he have been promoted over the heads of more deserving people?

5. As regards Czechoslovakia and Austria, Herr Treviranus mentioned that in the summer of 1932 when he had ceased to be a Minister, he had had a private meeting, more or less by chance, in Prague with Dr. Benes, who had said that Czechoslovakia would do everything possible to prevent any customs union between Germany and Austria, unless Czechoslovakia were included on satisfactory terms. Herr Treviranus believed that Dr. Benes realised the importance of securing some arrangement for Czechoslovakia which would safeguard her position in regard to Germany and Austria, whereas Herr Hitler now thought that the best approach to Austria was *via* an arrangement which would secure Czechoslovakia['s] support or at any rate neutrality. The Habicht campaign had been called off and negotiations were proceeding—Herr Treviranus seemed to think satisfactorily—to put relations between Germany and Czechoslovakia on a better footing.

6. Dr. Brüning looked in good health and is, it is understood, living less in retirement than hitherto. He said that he had suffered an unpleasant experience when his house was searched in January for compromising papers which did not exist. He himself had been able to evade the searchers, though

<sup>2</sup> Not printed. New powers had been conferred on the Minister for Economic Affairs in regard to industrial and commercial associations by an Enabling Act of February 27.

he did not think they would have molested him personally. He observed that while refraining from any criticism, he was carefully following the general political situation. He agreed with Herr Treviranus's expectations of a crisis, but feared that it would come before the autumn of 1935, perhaps, in fact, this summer or autumn. The pace of the revolution had been such that he feared it could not be arrested without damage being caused. Novelties, sensations, and fresh waves of revolution would be demanded. There had been a very critical time last May and June; revolutionary feeling had surged up again in January, when his rooms had been searched, and there had been the anti-monarchical demonstrations. Dr. Brüning anticipated that there would be further revolutionary waves. There was great and growing dissatisfaction amongst many different sections of the population. The extremists to the Left were dissatisfied that after a year so little of their policy had been adopted. To the Right, many non-party supporters, Nationalists and notably Church people, whether Catholic or Protestant, were also dissatisfied. Within the party the moderate elements were dissatisfied with the muddles and tyrannies to be found not so much in Berlin as elsewhere in Germany, especially in small towns and country places. For example, he knew of a village in North-West Germany where two-thirds of the S.A. refused now to turn up at S.A. gatherings, being discontented with the incompetent, or worse, fashion in which things were being managed, while those who did turn up were precisely the wilder men.

7. The criticism from these various quarters was not directed against Herr Hitler himself but against his entourage. If Herr Hitler did not make drastic changes, it would be said that he was showing weakness as a leader, but, whatever he did, the critics, who were in most cases without any clear ideas themselves as to how improvements could be effected, would expect Herr Hitler to perform miracles. His personal popularity was, moreover, suffering a little. His many preoccupations prevented him from being as accessible as in old days, and this was resented. The other day instead of attending a lecture by Dr. Rosenberg, as had been announced, he went to the Sportpalast to see a skating performance. The Germans were a serious people and could not understand what looked like frivolity.

8. Dr. Brüning thought that Herr Hitler was well aware of the difficulties of the situation and had even foreseen them when he accepted office. He would probably rely more and more on the Reichswehr. During the conversation Dr. Brüning conveyed the impression that he sympathised with Herr Hitler and respected him. He also intimated his good opinion of Herr Hess, but did not, it appeared, think much of the other party leaders.

9. In a reference to the Saar, Dr. Brüning observed that many mistakes had been made and he feared that blunders involving perhaps serious consequences would continue to be made if Saar questions remained in the charge of Herr von Papen. A much better man would be Dr. Roehling. While, however, there might be dissatisfaction with Nazi Germany in the Saar, its manifestation would, of course, not mean a desire for closer association with France.

10. Dr. Brüning was anxious about the economic situation in Germany and generally in the world. A turning-point had come, as he had expected, in 1932, and if only the world had been reasonable and ready to co-operate, a steady improvement might have been maintained. The opportunity had been missed, and although there were improvements in certain home markets, he feared they would only be temporary. Germany's internal market was better, but the improvement was largely due to the stimulation of artificial measures, while the export trade was in a very serious way. In America he very much doubted the soundness of many of Mr. Roosevelt's measures. He thought the soundest situation and the most genuine improvement was to be found in Great Britain, but even there it was at the expense of international trade, and he evidently thought there might easily be a setback. In France there had been the first crisis in 1925, and it looked as though a second might be imminent. The world must eventually come together, but he feared that, the opportunity in 1932 having been missed, there would be a second crisis before it would be politically possible to bring about effective economic co-operation and lasting improvement.

11. By way of comment on the foregoing, I would point out that as far back as last June Dr. Brüning forecast an early crisis in a conversation with Sir Horace Rumbold, reported in his despatch No. 584<sup>3</sup> of the 14th June, 1933. For reasons political, religious and personal, it is natural that Dr. Brüning should be pessimistic and his forecasts, in consequence, gloomy. Nevertheless, it should be borne in mind that events in Germany often take a considerable time to mature. It is only necessary to recall in this connexion the rise to power of the Nazi party.

I have, &c.,  
ERIC PHIPPS

<sup>3</sup> See Volume V of this Series, No. 212.

### No. 363

#### *Memorandum on Germany's Illegal Rearmament and its effect on British Policy*<sup>1</sup> [C 1961/20/18]

FOREIGN OFFICE, *March 21, 1934*

The military, naval and air clauses (Part V) of the Treaty of Versailles were imposed upon Germany in order to destroy and to prevent the recreation of the powerful force with which she had constantly threatened the peace of Europe in the years preceding the War. The achievement of this objective was itself, according to the Preamble to Part V of the Treaty, 'to render possible the initiation of a general limitation of the armaments of all nations'.

2. The principal disarmament obligations imposed upon Germany are summarised in Annex I to this memorandum.

<sup>1</sup> This memorandum was prepared by the Foreign Office for the Cabinet.

3. In July 1932 Germany officially put forward her claim to equality of rights in armaments. In discussion how this claim could be met, His Majesty's Government in the United Kingdom declared on the 18th September, 1932, that they could 'give no countenance nor encouragement to the disregard of treaty obligations', and that 'the correct position under the Treaty of Versailles is that Part V is still binding and can only cease to be binding by agreement'. Further, a declaration, signed on the 11th December, 1932, by the United Kingdom, French, German, Italian and United States Governments, stated that one of the principles of the Disarmament Conference should be 'the grant to Germany of equality of rights in a system which would provide security for all nations, and that this principle should find itself embodied in the Disarmament Convention. . . . It is clearly understood that the methods of application of such equality of rights will be discussed by the Conference.'

4. By the final withdrawal of the Inter-Allied Control Commissions in 1927 the way was clear for the beginning of the illicit rearmament of Germany. Progress was slow, especially so long as the Allied forces were in occupation of the Rhineland. But its evacuation was completed in the summer of 1930; and the replacement of Dr. Brüning in May 1932 by the reactionary Government of Von Papen put an end to the restraining influence hitherto exerted in Germany by the parties of the Left. From that moment the process of rearmament began to be systematised and accelerated; and a fresh impetus was given to it by the accession to power of the Nazi Administration in the spring of 1933.

5. Annex II to this memorandum shows that in both the aeronautical and military spheres German rearmament may soon become a menace to the balance of power in Europe. German civil aviation is now the first in Europe; Germany already has in effect a fleet of 600 military aeroplanes and facilities for its very rapid expansion. She can already immediately mobilise an army three times as great as that authorised by the Treaty, and a rapid expansion of her mobilisation facilities must be expected. In such circumstances the continuance of effective demilitarisation of the Rhineland becomes problematical.

6. His Majesty's Government have long been disinclined to try to secure the literal enforcement of Part V of the Treaty. They were guided, especially after the withdrawal of the Control Commissions, by the practical difficulty of securing such enforcement and by the set back to European reconciliation which such attempts would in their opinion have involved. They considered that the disarmament clauses had achieved their main object, i.e., the reduction of Germany to such a condition of military impotence as to render her incapable of waging an aggressive war against her neighbours within a measurable period of time. Indeed, until the beginning of 1932, it seemed legitimate to hope that the forces of the Left in Germany would be able to keep in check any attempt at serious rearmament.

7. For the last two years the illegal character and the extent of German rearmament have been overshadowed and obscured by the discussions at the Disarmament Conference. In our desire to obtain the 'general limitation of

the armaments of all nations' rendered possible by the terms imposed on Germany by Part V of the Treaty of Versailles, we have been inclined to ignore the manner in which Part V was being infringed. We had hoped to solve the problem raised by the illegal rearmament of Germany, before it became unbearably acute, by the negotiation of a Disarmament Convention, which would cancel Part V of the Treaty and legalise some measure of German rearmament.

8. Latterly this rearmament has become more and more flagrant. Even a year ago the danger in which the advent of the Hitler Government had placed the Disarmament Conference was generally recognised. Nevertheless, almost entirely owing to the efforts of His Majesty's Government, the Conference was kept alive, although German rearmament was becoming more and more open. In August 1933 the French Government suggested its joint examination at Geneva under Article 213 of the Treaty. We refused this examination on the 27th November, on the ground that 'disarmament negotiations are still continuing, and . . . so long as this is the case, it would be unwise to contemplate the course of arraigning Germany before the League under Article 213'.<sup>2</sup> It might almost be said that we had become so accustomed to German breaches of Part V of the Treaty that we were inclined to take them for granted and to regard them as inevitable. Familiarity had bred contempt, and public opinion in this country had almost forgotten the real purpose of Part V, which was to destroy and prevent the re-creation of the military power of Germany; and thus prepare the conditions in which alone general disarmament would be possible.

9. At present yet another 'final' attempt is being made to save the Disarmament Conference. The ways and means of doing this and the tactics to be used are outside the scope of this memorandum. But it is becoming increasingly clear that even if the Conference is saved, it cannot produce a universal Disarmament Convention: at most a limited Convention may emerge for legalising Germany's illegal armaments, in return for her acceptance of certain temporary restrictions with regard to them.

10. It is clear that Herr Hitler is most anxious to obtain a Convention on these lines, not in order to disarm his neighbours, but in order to obtain formal recognition of Germany's present illegal armaments. We may reasonably assume that he is anxious to do this because it will, he thinks, strengthen his position both at home and abroad. German rearmament is still insufficient to remove the fear of effective military intervention by France and especially to secure the defence of the Rhineland. The false position in which the illegal rearmament of Germany places her is in general a source of diplomatic weakness. Germany is still isolated abroad; Herr Hitler wishes to make her 'alliance-worthy'. He probably wishes also to create abroad an impression of the peaceful nature of German foreign policy and thereby, if possible, further to divide the remnants of the war coalition. He also needs to be free of foreign complications until he has effected the constitutional and administrative reorganisation of the German Reich and the unification of German politics

<sup>2</sup> See No. 86.

and thought, and until he has re-established the country's financial, economic and social position, and, in particular, developed his agricultural policy, which involves a minor social revolution through the establishment of a yeoman class in place of the present large estates.

11. In these circumstances, ought we not to consider whether we are not in a position to make Germany pay for the legalisation of her rearmament? Her desire for such legalisation is an asset in our hands. Do not let us throw it away simply because we do not recognise its value. A limitation of Germany's armaments over a term of years is an obvious *sine qua non*, but there are many other conditions which we might demand from Germany in defence of our own interests, in so far as they are now threatened by German rearmament. Above all, we need not and should not proceed on the assumption that Hitler is doing us a favour by more or less accepting our proposals, and that special inducements must be offered to make the idea of a Convention palatable to him. On the other hand, it is essential to Hitler that any Convention he signs should provide for immediate German rearmament in every sphere; he cannot agree to any postponement. Likewise, the temporary limitations, both qualitative and quantitative, to which Germany would have to submit must be wide enough to allow at once for all the illegal armaments which Germany already possesses or is in process of creating. Only if these conditions are met will Hitler obtain the legalisation which he requires. But if he does obtain it, there is a good hope that for the duration of the Convention he will observe whatever else in it he puts his signature to, and that there would be little danger, therefore, of our being called upon to take measures to compel Germany to observe its terms.

12. Now the very reasons which make Germany anxious to legalise her illegal armaments will render France averse from doing so. Even though she recognises her treaty right to be a blunted weapon, France will find it useful to brandish whenever she meets Germany. It will constitute an invaluable political grievance which she will exploit on every occasion to our embarrassment as much as to that of Germany. If, therefore, we want a Convention we must make it worth the French while to agree to one. This means—and we cannot burke the issue—that France must be given more security. To judge from the way things are moving it is unlikely that France will now be satisfied (she might have been some time ago) with a vague system of collective 'guarantees for the execution of the Convention'. It looks as though in return for her signature to a convention she will now require for her security some tangible pledge of direct British support and collaboration.

13. This brings us to the question whether in these circumstances it is worth while to struggle for a Convention when it has become clear that the best Convention we can obtain will fall so far short of any of the schemes of universal disarmament with which the Conference opened. But even a Convention which in effect did nothing more than legalise and (for the period of the Convention) limit Germany's armaments would be worth having, not only because of the limitations which it would set to Germany's armaments, but also because it would dispose once and for all of the problem of what is to

be done with Part V of the Treaty of Versailles. If a breakdown of the Disarmament Conference results in general and uncontrolled rearmament, the question of Part V of the Treaty of Versailles will at once obtrude itself into every diplomatic negotiation in which France and Germany are involved. Part V is, for practical purposes, dead, and it would become a putrefying corpse which, if left unburied, would soon poison the political atmosphere of all Europe. Moreover, if there is to be a funeral, it is clearly better to arrange it while Hitler is still in a mood to pay the undertakers for their services. For these reasons an early Convention for legalising Germany's illegal armaments is certainly to be desired,<sup>3</sup> and it would be worth while making certain sacrifices in order to obtain France's consent thereto. But the only basis on which such a Convention could be satisfactorily negotiated would be on the basis that Germany started by being in the wrong; that Germany was the petitioner; and that the signatories of the Treaty of Versailles had a serious and long-standing grievance against Germany, on account of her flagrant violation of her treaty obligations.

14. That we have a real grievance against Germany is shown by the fact that now, even if we obtain a Convention for limiting Germany's armaments, it is generally recognised that vital British interests will require a certain rearmament on our part in order to defend them against the threat of Germany's growing military and aeronautical strength. In fact, in future, when we speak of 'security', we no longer have in mind French security, but British security. Are the two things the same? Can we better achieve British security in political isolation and free both from foreign commitments and from foreign collaboration? Or will British vital interests be better secured by treating British and French security as part of one and the same thing, and shaping our policy accordingly?

15. This involves a major political issue beyond the scope of this memorandum, but assuming for the purposes of the present discussion the adoption of the second alternative, two things at once become evident:—

- (1) If it is decided that British security can best be achieved in a system of Anglo-French co-operation, then it ought to be easy, within the framework of such co-operation, to give France those additional guarantees for the execution of the proposed Convention, which she asks for as the price of her signature. But in that case we should be well advised to make our offer soon before the international position has still further deteriorated, and before the chances of regulating Germany's rearmament finally vanish.
- (2) On the other hand, collective guarantees for the execution of an Armament Convention might by themselves appear inadequate when viewed from the point of view of British security. Moreover, if for one reason or another the contemplated Convention did not materialise,

<sup>3</sup> *Note in original:* 'A diplomatic precedent is to be found in the armament by Russia in 1870 of the Black Sea ports and her establishment of a Black Sea fleet in defiance of the Treaty of Paris of 1856. This illegal action by Russia was (to save the principle of the sanctity of treaties) legalised by the Powers in February 1871.'

they would, of course, disappear with it, and would have to be replaced by some bilateral agreement between France and Great Britain. In fact, when we speak of achieving British security by treating British and French security as part of one and the same thing, we may be forced to the conclusion that nothing less than a definite mutual promise of support, involving a precise military commitment, will suffice if, as we must assume, our object is that the strength of France should to some degree be a substitute for our own strength, and that the pooling of our joint resources should add to our own efficiency while reducing the strain on our finances and manpower.

16. Events are moving fast, and the time for saving something from the wreckage of the Disarmament Conference is growing short. Circumstances have altered, and we are now faced with a tacit repudiation by Germany of the limits set to her armaments by the Peace Treaty, which has become flagrant and may soon become dangerous. It is therefore highly desirable that an early decision should be reached on the question of policy raised in paragraph 14. It is submitted that the old question of French security must now be viewed, not merely as hitherto in its generalised form as part of an international Convention on Armaments, but in its more concrete form as an ingredient in the future organisation of British security against the impending menace created by Germany's uncontrolled rearmament.

#### ANNEX I TO No. 363

##### *Principal Disarmament Obligations imposed upon Germany by Part V of the Treaty of Versailles*

1. Reduction of German army to 100,000 men organised in seven Infantry Divisions and three Cavalry Divisions.
2. Dissolution and prohibition of the German General Staff.
3. Reduction of German Navy to 6 battleships, 6 light cruisers, 12 destroyers and 12 torpedo boats, manned by 15,000 men.
4. Armed forces of Germany not to include any military or naval air forces.
5. Recruitment by long service voluntary engagement instead of conscription.
6. Educational establishments, universities, &c., not to occupy themselves with military matters, and all measures of mobilisation forbidden.
7. Limitation of armaments of German army and navy.
8. War material to be manufactured only in certain approved establishments; all import and export of war material forbidden.
9. No fortification of the German coast commanding the entry to the Baltic or of Heligoland; and restrictions on fortification of the remainder of the German coast and of the eastern and southern frontiers of Germany.
10. Germany to give facilities for any investigation into the state of her armaments decided on by the Council of the League.



*Present Position of German Rearmament*

The following paragraphs review the present state of German rearmament and the possibilities of its development:—

(1) *Aviation*<sup>1</sup>(2) *Military*<sup>2</sup>

In November 1933 the state of German preparations for rearmament was reviewed in a memorandum printed as Appendix I to the report of the Defence Requirements Sub-Committee of the Committee of Imperial Defence on the 'German Rearmaments Proposals'. The further information received since that paper was written tends to confirm the statements which it contained and is summarised below.

It must be emphasised that the following notes take into account only the development of the German Army, apart from naval and air forces, and that, to this extent, the picture which they present is incomplete.

1. There appears to be little doubt that, during Germany's period of military weakness, the Reichswehrministerium has been genuinely afraid of aggression by Poland in the form of 'preventive war', and—possibly, to a less degree—of the application by France of 'military sanctions'. To meet these dangers there has long been in existence an irregular Grenzschutz, or Frontier Defence Force, on the Polish frontier, especially in East Prussia. Frontier Defence organisations, chiefly of police, have been organised in the Rhineland, and a scheme has been in existence for the expansion of the Regular Army on mobilisation to 21 infantry divisions. To supply these forces with munitions the Reichswehrministerium has expended money on the provision of armaments, beyond the scale authorised under the Treaty, and on the preparation of industry for mobilisation.

2. The advent of the Hitler régime, which has placed at the disposal of the German military authorities the whole of the resources in personnel represented by the militant Nazi organisations, as well as large funds provided under the scheme for providing work for the unemployed ('Arbeitsbeschaffungsprogramm'), has at the same time increased, as it must seem to the Reichswehrministerium, the danger of foreign intervention. Reports tend to show that the German military authorities are still oppressed by a feeling of insecurity, but as time passes and the danger of 'military sanctions' and of 'preventive' war becomes less menacing, Germany may grow bolder in her proposals for rearmament and accelerate her defensive preparations.

3. The Reich Government has recently proposed for Germany an army of 300,000 men with the normal proportion of the weapons regarded as 'defensive'. Recent information shows that 200,000 selected S.S. and S.A. personnel have been or are being trained for periods of three months under

<sup>1</sup> Not printed. This section reproduced paragraphs 2-5 of the Foreign Office memorandum of February 23. See No. 313.

<sup>2</sup> This section was contributed by the War Office.

the Regular Army, while the numbers of officer cadets are reported to have been increased. The training of junior Nazi leaders as both active and reserve officers is also in active progress. It seems probable, therefore, that Germany is now or will shortly be in a position to expand the Regular Army of 100,000 to the proposed peace establishment of 300,000 by the addition at the shortest notice of trained personnel. The German military authorities will thus avoid the reorganisation of the Reichswehr by stages which France desires but which German military opinion regards as especially dangerous. There is little doubt that the necessary weapons for this increased peace establishment already exist.

4. Parallel with the training of the personnel selected for the expansion of the peace establishment of the army, training on a lower scale, with Reichswehr and possibly with police assistance of a further 500,000 selected youths is reported to be in progress, while the remainder of the younger personnel of the Nazi forces, the numbers of which it is difficult to estimate, are being organised into categories of reservists and are receiving pre-military training under their own leaders. To the sources of military reinforcements, available on mobilisation, the Labour Service Camps, the Hitler Jugend and other organisations are adding their quota.

5. The latest reports seem to indicate that, were mobilisation to be ordered at the present date, the German Army would mobilise—

3 or 4 cavalry divisions.

21 infantry divisions.

33 Grenzschutz Groups (equivalent to strong mixed brigades) on the Polish and Czechoslovakian frontiers.

11 Police Defence Regiments in the Rhineland.

Of these, the cavalry and infantry divisions would be complete with field artillery, but still on a low scale and greatly deficient in the very important medium artillery. The supply of artillery ammunition would probably still be insufficient for prolonged intensive fighting, and tanks are only now reported to be coming into production in any numbers. The Frontier Defence Organisations, though equipped with rifles and machine guns, would probably possess very little artillery. Behind these forces, although semi-trained personnel would be ample, lack of material would still, it is considered, prevent the raising of further mobile formations until the fifth or sixth month after mobilisation.

While the French military authorities appear to regard these forces as a serious menace, the War Office believe that the Reichswehrministerium still consider them to be insufficient to prevent the occupation of the Rhineland by France, and still less adequate to conduct a war on two fronts against France and Poland.

6. Apart from the quantity and cost of the material involved, the creation of large armies sufficiently organised and trained to ensure victory in offensive operations against civilised opponents is not the work of a few months. The preparation of the officer cadres alone presents a definite limitation. The

German General Staff, moreover, are not likely again to endanger their country without a sufficient probability of success.

There seems no reason, therefore, at present, to modify the conclusion reached in November last that the German Army will require several years before it can be fit to initiate a new war. It is even possible that the 10 years' period of the treaty with Poland may indicate the breathing space which the Reichswehrministerium consider to be necessary. Should the German military authorities aim at an earlier date of readiness, it is considered that the preparations which such a programme would necessitate can hardly be disguised, and that it should then be possible to form an estimate of the progress of Germany's rearmament.

### (3) *Naval*

1. In a recent despatch from Berlin<sup>3</sup> Sir E. Phipps reported that he had no reason to suppose that the naval clauses of the Treaty of Versailles were being infringed to any notable extent. The Admiralty confirm this statement. In a memorandum communicated to the British Naval Attaché at Berlin on the 29th November, 1933, the Head of the Marineleitung stated: 'There is no place in Germany today for aspirations of the Tirpitz era.' The object of, and the necessity for, the German Navy has, according to Admiral Raeder, been repeatedly and very accurately described by Sir H. Russell (the War correspondent and novelist), 'who stated that a German fleet developed within certain limits is an instrument for the maintenance of peace, particularly in the Baltic; and that such a fleet is also especially necessary for holding the Soviet fleet in check. The further development of the fleet would take place entirely in agreement with British policy after a new London-Washington Conference has been held in 1935-36. At this Conference of the Great Powers, Germany will naturally demand equality of treatment. In practice, however, this equality will only be "qualitative", and it would be laughable to suppose that Germany wanted anything approaching "quantitative" equality with the naval forces of Great Britain. . . .'

2. Sir E. Phipps's annual report on Germany for 1933, Section VI, states that 'the general focussing of public interest on military, air and naval matters has done much to restore Germany's old pride in her navy, and the withdrawal from the Disarmament Conference has doubtless encouraged many to hope for an early removal of the limitations imposed by the Treaty of Versailles'; and, again, that 'every opportunity has been taken in the daily and weekly press, in various technical and semi-official monthly journals, and by means of broadcasting, public lectures and exhibitions, to reawaken public interest in naval matters, and to compare Germany's naval strength with that of the other Powers. Germany's lack of submarines and aircraft is made the most of, and the "injustice" of the treaty is emphasised in every possible way.'

<sup>3</sup> The reference appears to be to No. 60.

*Sir J. Simon to Sir E. Phipps (Berlin)**No. 350 [W 2934/165/98]*FOREIGN OFFICE, *March 22, 1934*

Sir,

The German Ambassador called today on his return from Berlin. He had seen Chancellor Hitler, and, in reply to my enquiry as to what was meant by the German claim to 'defensive aircraft', was instructed to say that these might be defined as aircraft with a maximum range of two hours' flight. They did not, of course, include bombers. I said that I was not sufficiently acquainted with the technical aspects of the matter to know whether this was a practical mode of distinguishing aircraft, but that I recognised that it was intended to exclude long-distance flying which might have an aggressive character. Could the Ambassador tell me what was the number of aircraft for which Germany was asking, giving a definite figure instead of repeating a formula? It would be helpful, I thought, if the lowest possible definite figure was mentioned, as it was then much easier to judge the relative strengths of others. I gathered that the Ambassador was prepared to endeavour to supply this information.

2. Herr von Hoesch explained that it was necessary for the Germans to make a reply to France without waiting for the French reply to us, inasmuch as the League of Nations had published a series of documents<sup>1</sup> which gave a false impression if the German point of view was not also stated. He described the German note to France as setting out Chancellor Hitler's 'concessions'. I said that we observed that it did not mention some German claims which could not be regarded as concessions, e.g., the claim to an air force.

3. As regards the French note, I told the Ambassador that we had already received it and we understood the German Government had done so also; we gathered that it would be published on Saturday morning.<sup>2</sup> We did not regard the French communication as bringing these useful interchanges of view to an end, and would probably ourselves have some more enquiries to make. The Ambassador observed that from his long experience of Paris he did not believe that the French would ever declare themselves content with any proposal we could make.

4. I mentioned to the Ambassador some personal reflections on the subject of 'security,' emphasising that I had no proposal to make and was merely inviting him to explore the ground with me. Was there a valuable distinction to be drawn between 'guarantees for due execution' of an arms convention and 'joint security' against aggression? Again, was it possible to conceive a guarantee jointly entered into between certain European States as opposed to a world-wide undertaking? In this event, would supervision be wider in operation than the guarantee to repress breaches of the Arms Convention

<sup>1</sup> See League of Nations, *Disarmament Conference Documents*, vol. iii, pp. 743 ff. (Conf. D. 166).

<sup>2</sup> March 24.

disclosed by such supervision? It seemed to me that these questions were suggested by the language of the French note, and it might be that they were worthy of further study, but I asked that, if the Ambassador reported this part of our conversation to his Government, he should make it entirely plain that my observations were personal and speculative and were not based on any view which the Government had formed. It was, none the less, necessary to think these things promptly out, for a public statement on the results of the recent exchanges of views could not be long delayed.

I am, &c.,  
JOHN SIMON

**No. 365**

*Sir E. Phipps (Berlin) to Sir J. Simon (Received March 26)*

*No. 73 Saving: Telegraphic [C 1912/20/18]*

BERLIN, March 24, 1934

Military Attaché has reliable information that S.A. headquarters are very relieved that ex-allied Powers have not accepted offer to submit S.A. to control since an immediate imposition of control would wreck their present system of training men for Reichswehr and would interfere with their future activities.

Instructions are being issued to prepare second set of files in all offices as existing correspondence is incriminating.

**No. 366**

*Sir J. Simon to Sir E. Phipps (Berlin)*

*No. 352 [W 2963/1/98]*

FOREIGN OFFICE, March 26, 1934

Sir,

The German Ambassador asked to see me today. Mr. Eden was also present. Herr von Hoesch began by criticising the intransigence of the French note, claiming that Germany and Italy were at one and Britain not far off. France, he said, always pursued the same method, treating concessions made by Germany in an effort to meet the French point of view as matters of course to be pocketed and forgotten, and making no effort to concede anything in return. He instanced the abandonment of the Reichswehr, to which France had attached the greatest importance until Germany agreed; the application of supervision, to which the United States and ourselves had at one time taken objection, but which now counted for nothing in French eyes; and the strict regulations which Chancellor Hitler was prepared to apply to para-military forces, which only resulted in the French note demanding (contrary to the view of the Geneva Committee) something similar for pre-military forces, too.

2. The Ambassador went on to say that he was prepared to give me the

views of his Government on certain matters which I had raised at our previous interview (see paragraph 4 of my despatch No. 350<sup>1</sup> of the 22nd March), but only if the communication was regarded as confidential. If the German view was reported to the French Government, they would, as always, accept it without gratitude and then declare that it was insufficient. The only way to deal with the French was for us to enquire in Paris whether, if we were able to secure certain matters in agreement with Germany, the French would also agree. I said that, if His Excellency was instructed to make the communication to me on these terms, His Majesty's Government would respect the confidence and would not inform the French Government without further communication with Germany. But we could only keep the matter confidential if there was no publication of the German views in other quarters. Once that happened, we should be asked whether we had information to the same effect, and we should have to give a truthful answer. Herr von Hoesch said he quite understood this, and proceeded to make the following statement:—

3. His Excellency said that the German Government were prepared to contemplate a European agreement guaranteeing the due observance of the proposed Arms Convention by the use of financial and economic sanctions. They saw the practical reasons for limiting such mutual guarantees to European States; considerations of distance and other complications might make a wider application unreal. But (a) the German Government must insist that such a European guarantee was undertaken by *all* European States, including Soviet Russia and the United Kingdom; they had no wish to find themselves in a select circle consisting chiefly of themselves and France and her special friends. And (b) the international supervision must be world-wide. The German Government thought that it would be extremely invidious to limit this to the area of the European guarantee.

4. I told the Ambassador that the emphasis with which Germany always laid it down that supervision must be universal might raise the doubt whether a single refusal, e.g., Japan's, would be regarded by Germany as a reason for rejecting the whole arrangement. It would be deplorable if we reached agreement on all other matters and then there was a breakdown on this single point. The Ambassador assured us that this was not Germany's intention.

5. Referring to the enquiry I had made at our interview on the 22nd March as to whether Germany could give a definite figure for the aeroplanes she wanted, the Ambassador said that his Government could not do this because Germany's claim depended on the number of aeroplanes of her neighbours, and the result in figures of the German formula therefore varied with the figures of others. Germany could not say that she 'wanted' so many military aeroplanes, for she was quite willing to ask for none at all if other people abandoned theirs. The German air force would be built up gradually and attain the total thus indicated at the end of five years. In answer to a question from us, the Ambassador said that he did not mean by this that there would be an agreed programme of gradual expansion spread over the period.

<sup>1</sup> No. 364.

6. Before the Ambassador left I asked him to ascertain the view of the German Government on another matter. The views of the four Governments principally concerned in the recent exchanges of views had now all been published except the statement of the German view made to Mr. Eden. It was true that the German note to France had been made public, but this was not a complete statement of Chancellor Hitler's position, since, for example, it contained no specific reference to aircraft. We might expect at a very early date a demand for a supplementary White Paper, so that Parliament and the public might be fully informed of the present proposals and attitudes of the four Powers. It would therefore be necessary to publish an agreed statement of what Chancellor Hitler had said to Mr. Eden, which was in turn the basis of Mr. Eden's conversations in Rome and on his way back through Paris. I reminded the Ambassador that Mr. Eden had read an abbreviated record of Chancellor Hitler's proposals to Baron von Neurath at the final meeting in Berlin, and that Baron von Neurath agreed that the record was correct.<sup>2</sup> Might we therefore have authority from the German Government to publish this record in case of need? The Ambassador recognised the reasonableness of our request, but asked that he might have the opportunity of submitting the record afresh to his Government for their final approval.<sup>3</sup>

I am, &c.,

JOHN SIMON

<sup>2</sup> See No. 306.

<sup>3</sup> The German Government suggested some substantial amendments to the record. The British Government therefore decided to publish a statement of the views of the German Government at the time immediately preceding the publication of the White Paper. See No. 402 and Cmd. 4559, p. 18.

No. 367

*Sir J. Simon to Sir E. Drummond (Rome)*

*No. 288 [R 1435/37/3]*

FOREIGN OFFICE, *March 26, 1934*

Sir,

In paragraph 3 of Your Excellency's despatch No. 197<sup>1</sup> of the 2nd instant you refer to possible difficulties in regard to the interpretation of Article 16 of the Covenant of the League of Nations which might be raised by Italian military intervention in Austria.

2. The instrument most directly bearing on such an eventuality would appear to be the Geneva Protocol of 1922,<sup>2</sup> to which His Majesty's Government in the United Kingdom, the French Government, the Italian Government and the Czechoslovak Government are, together with the Austrian Government, parties. In my despatch to Prague, No. 46<sup>3</sup> of the 15th instant,

<sup>1</sup> No. 326.

<sup>2</sup> See No. 263, note 3.

<sup>3</sup> Not printed.

of which a copy has been sent to you under cover of my despatch No. 272 of the 20th March, I have recorded my view that military action taken in Austria by any of the signatories of the protocol without prior reference to the League would be a violation of their obligations under the protocol.

3. There would appear to be three different circumstances in which the Italian Government might be tempted to send Italian troops into Austrian territory:—

- (1) For the purpose of preserving Austria's independence, at the invitation of the Austrian Government.
- (2) For the same purpose, but against the desire of the Austrian Government, e.g., in the event of the establishment of a Nazi régime in Austria.
- (3) In the event of a proclamation of a union between Austria and Germany.

4. In case (1), a breach of the Geneva Protocol would appear to be involved, since that protocol imposes on its signatories the obligation to refer to the League, and to conform to the decision of the Council, in the event of a menace to Austria's independence; and this would seem to prohibit, at any rate by implication, unilateral action by one of the signatories. On the other hand, there would be no breach of the Covenant as such. In case (2), there would be a violation of Article 10 of the Covenant of the League, and possibly also of the Geneva Protocol. In case (3) there would be a violation of the protocol, and also of the Covenant of the League, since, even in the event of a breach by Austria of her treaty obligation not to alienate her independence, sanctions could not be properly undertaken except after reference to the League and in accordance with the recommendation of the Council of the League.

5. Your Excellency should be guided by these considerations in any conversations which you may have on the subject.

6. I am sending copies of this despatch to His Majesty's Representatives at Paris, Berlin, Vienna, Belgrade, Bucharest and Prague.

I am, &c.,  
JOHN SIMON

No. 368

*Sir J. Simon to Lord Tyrrell (Paris)*

*No. 68 Telegraphic: by telephone [W 2989/1/98]*

FOREIGN OFFICE, *March 27, 1934, 8.45 p.m.*

Your telegram No. 66<sup>1</sup> of March 21.

The Ministerial Disarmament Committee yesterday discussed the situation in the light of your telegram under reference. The discussion will be continued tomorrow evening. Very full attention was given to the considerations

<sup>1</sup> No. 359.



set forth in your telegram especially in connexion with the possibility of agreeing on guarantees of execution adequate to satisfy French requirements of security. It appears to us essential to understand the French attitude more clearly than is possible from study of the French Government's note of March 19.<sup>2</sup> I therefore request Your Lordship to address without delay a definite enquiry to the French Government on some such lines as the following. You should assure the French Government that His Majesty's Government have studied their note of March 19 with the greatest care. His Majesty's Government are anxious to learn with the least possible delay whether they are right in assuming that, supposing it were found possible for general agreement to be reached on further guarantees of execution of a convention, the French Government would be prepared on those terms to accept the United Kingdom memorandum of January 29 as the basis of a convention, together with the modifications to it proposed by the German Government, these modifications being, if possible, reduced to more modest proportions. His Majesty's Government would be grateful to learn at once not only whether they are right in making this assumption, but also whether they may obtain from the French Government further elucidation of the proposals the latter have made in regard to guarantees of execution.

For Your Excellency's own information I would add that you should naturally refrain from creating any impression that His Majesty's Government have already decided to accept, for instance, the proposals contained in the French Government's communication to Mr. Henderson of December 15<sup>3</sup> in regard to guarantees of execution. These proposals are under close examination and it would be quite impossible to say at this stage whether they will prove acceptable to His Majesty's Government. What, however, we wish to know, and unless we know it our enquiry into the possibilities of agreeing on adequate guarantees will be seriously hampered, is (1) whether the French Government would be prepared on *any* terms to accept our memorandum as modified by the German proposals, and (2) exactly what those terms are. Are the French Government confining themselves to the guarantees of execution mentioned in their communication to Mr. Henderson or are they thinking also of guarantees of a more military nature against aggression? I leave to Your Excellency's discretion how far to pursue this subject with them, bearing in mind the warning I have given.

<sup>2</sup> See Enclosure in No. 355.

<sup>3</sup> See No. 172, note 2.

# No. 369

*Sir J. Simon to Sir E. Drummond (Rome)*

*No. 303 [R 1903/1287/3]*

FOREIGN OFFICE, *March 27, 1934*

Sir,

Signor Grandi called this afternoon, and in the course of conversation referred to the three protocols between Italy, Austria and Hungary, signed

at Rome on the 17th instant. He said that the future of Austria might be imagined as following one of three courses, either absorption by Germany (which was what Germany wanted), or incorporation in the system of the Little Entente (which was what Dr. Benes wanted), or a strong and separate existence (which was what Italy wanted). Italy's feelings in this matter were, he thought, much like our feelings in regard to Belgium. In neither case was there the slightest desire to interfere with the independence of the smaller country, but in both cases its existence as a strong buffer State was a prime object of policy. He considered that Dr. Dollfuss was now in a stronger position; the three-Power declaration about Austria's integrity had come at the vital moment, and without it Dr. Dollfuss could never have succeeded. He thought that Germany had not expected Signor Mussolini to show so much determination, and that the outcome had materially obstructed and discouraged hopes of the spread of nazidom over the Austro-German frontier. As for Dr. Benes, he was much too clever a man not to appreciate that he must swallow any disappointment he felt and accept the reality of Austrian independence in preference to the only practical alternative—Austria's inclusion within the German orbit. In the course of his comments on the recent Rome negotiations, Signor Grandi said that Austria had been much in the limelight, but that he felt that the situation of Hungary was even more grievous and deserving of such assistance as Italy could give.

2. I enquired whether the economic negotiations referred to in the recent protocols were being proceeded with, and indicated that we should like to know what was proposed. The Ambassador replied that experts from the three countries were studying the matter, but he had no detailed information; he felt sure that Italy would keep us informed when there was something definite to communicate. Italy realised that the United Kingdom, for geographical reasons if for no other, could not afford much special assistance to Austrian trade, and Italy could do so by preferential arrangements. I observed that that was a matter in which we might have an interest and that we would await information.

I am, &c.,  
JOHN SIMON

#### No. 370

*Record of Conversation with Mr. Henderson in the Secretary of State's Room  
at the House of Commons on March 28, 1934, at 3.45 p.m.*

[W 3357/1/98]

FOREIGN OFFICE, March 28, 1934

Mr. Henderson called on Sir John Simon today. Mr. Eden took part in the conversation. Mr. Strang was also present.

Sir John Simon gave Mr. Henderson copies of the two latest memoranda on disarmament, namely, the German reply to the French Government of the 13th March and the French reply to His Majesty's Government of the

19th March. Mr. Henderson had already seen these papers. Sir John Simon said that since these memoranda had been delivered he had taken two steps. He had told the German Ambassador that His Majesty's Government wished to be in a position to publish the German proposals in reply to the United Kingdom memorandum and had asked him to transmit to the German Government for their approval the short record of those proposals made at the time of Mr. Eden's conversations at Berlin. He had also instructed Lord Tyrrell to obtain, if possible, from the French Government a clear statement of their requirements in the matter of security. Their latest written communication had been lacking in clarity on this point. They might reply that they would be satisfied with the proposals for guarantees of execution made to Mr. Henderson in December 1933, or they might ask for some extension of the Locarno Treaties.

Mr. Henderson observed that guarantees for the execution of the convention and guarantees of security were two different things. The cases they were designed to meet might arise separately. As for general security the French had surely been given all they needed at Locarno.

Sir John Simon said that he had pointed out the distinction between the two kinds of guarantees in a recent conversation with the French Ambassador. He quoted from the French memorandum of the 19th March to show that the French seemed to have in their minds some extension of Locarno in addition to the guarantees of execution of the convention.

Mr. Henderson said that, with every document that was exchanged, the situation became more obscure. Was it not time to reopen the conference? It was only with the greatest reluctance that the officers of the conference had, on the 13th February last, agreed to a postponement of the meeting of the Bureau till the 10th April. Mr. Henderson had given the officers an undertaking that he would not ask for a further adjournment of the Bureau without calling the Bureau itself. It was evident, therefore, that the Bureau would have to meet on the 10th April. He would like an assurance that either Sir John Simon or Mr. Eden, or both, would attend the meeting of the Bureau in order to make a statement on recent developments so far as His Majesty's Government were concerned. Unless the Bureau met and proceeded with its work, he felt that he would have to report to the Council, which had appointed him. What the Council had had in mind when he was appointed was a world-wide convention as a first stage, followed by a second convention providing for a further measure of disarmament as a second stage. If it was clear that this was not going to emerge from the conference, he would have no alternative but to tell the Council so.

Sir John Simon thought that it was clear that the Bureau must meet on the 10th April and assured Mr. Henderson that either Mr. Eden or he himself would attend. If he had understood Mr. Henderson, the latter had no authority to order a further adjournment. He would not think of suggesting that Mr. Henderson should do otherwise than call the Bureau as arranged. It was, however, difficult to see what the Bureau could do when it did meet.

Mr. Henderson said it was equally difficult to see what would happen if the Bureau adjourned. The conference would cover itself with ridicule. The private conversations, in favour of which the conference had suspended its labours, had begun as far back as June 1933.

Mr. Eden said that he could not see what would happen when the Bureau met. The last public document in recent international exchanges was the French reply to the United Kingdom of the 19th March. This was a very poor foundation for the work of the conference. His Majesty's Government were at the moment trying to obtain something more explicit from the French, both as to what they understood by guarantees of security and as to what they were prepared to do in the matter of disarmament in return for such security. The upshot might conceivably be that, whether the French obtained security or not, they could not agree to any German rearmament. There was a sentence in the French reply which might be read in this sense.

Mr. Henderson explained that, unless the Bureau obtained a new mandate from the General Commission, its duty was to bring the United Kingdom Draft Convention up to date and to incorporate in it anything that had been agreed upon; in other words, to produce a clean text. This clean text would have to be distributed several days before the General Commission met. Were they going to tackle this problem, or had the recent exchanges led to the conclusion that the United Kingdom draft was out of date and must be drafted afresh? If so, who was to prepare the new document? Would such a document recognise German rearmament? Would it perhaps not go beyond the Italian plan, namely, limitation together with rearmament and no disarmament?

Mr. Edensaid that the idea would be to amend the United Kingdom Draft Convention on the lines of the United Kingdom memorandum. But what chance would there be of this amended convention being accepted?

Mr. Henderson said it was a question whether the Italian Government would be prepared to take an active part in the proceedings of the Bureau in the absence of the German delegation. The psychological position was becoming more and more unfavourable and it was necessary to get to grips with the problem as soon as possible.

Sir John Simon said it was clear that there must be a meeting of the Bureau on the 10th April; that the Bureau would have to receive a report as to what had happened since its last meeting; and that the United Kingdom Draft Convention still held the field. Mr. Henderson, as President, would probably wish to explain to the Bureau what the position was from the point of view of procedure. It was impossible to pretend that the United Kingdom memorandum had been generally accepted, but it would be legitimate for us to maintain that it suggested modifications to the lines of the United Kingdom Draft Convention.

Mr. Eden said that it would be of advantage if other delegations would say in public at Geneva on what points they disagreed with the memorandum.

The French might, for example, be brought to say that they were unwilling to dispense with guns below 6 inches.

Mr. Henderson said that his idea was that the Bureau should take some time over its work. When difficulties arose it might adjourn for a day or two, or meetings might be held in the afternoons, so that private discussions should proceed in the mornings.

Sir John Simon reminded Mr. Henderson that the German delegation would not be present. One advantage of the United Kingdom memorandum and the recent exchanges was that the German attitude was now better known. It was still uncertain what part the Italians would play. He understood that Mr. Norman Davis was arriving in London on the following day and he assumed that he would be going to Geneva.

Mr. Eden said that one result might be that only the United Kingdom and France would play any active part at Geneva and that they would be divided.

Mr. Henderson, in reply to a question by Sir John Simon, said that M. Paul-Boncour had, he understood, been asked to go as French representative to the Bureau, but that he had not accepted. Mr. Henderson's own plans were to leave London on the 6th April and to see M. Barthou (whom he had not yet met) on the morning of the 7th and arrive in Geneva that night. He hoped to come and see Sir John Simon before that date in order to make sure that his own statement would not duplicate with what the United Kingdom delegate proposed to say. From what M. Aghnides had told him of his conversations with the French, it appeared that the French Government would not have been opposed to an adjournment of the Bureau for about ten days, and there had even been an idea that the Bureau itself, when it met, might adjourn until after the next Council session, that is until about the 22nd May.

Turning to another question, Mr. Henderson said that if he could be of any use in regard to the question of guarantees of execution (for which he was *rapporteur*) he would be glad to help. But he would want to know what His Majesty's Government's reactions to the French proposals were, so that, on his way through Paris, he could tell the French Government what the position was. But perhaps His Majesty's Government might prefer to discuss this matter direct with the French Government.

Sir John Simon said that one of the difficulties was the doubt whether economic sanctions could really be put into effect unless the Americans would collaborate.

Mr. Henderson said that he thought that the Americans might accept part of the French proposals at any rate, such, for example, as the withholding of loan facilities to the violator. As regards economic sanctions, when the time came to apply them, a material factor in the situation would be the attitude adopted by other countries.

*Lord Tyrrell (Paris) to Sir J. Simon (Received March 30, 9.30 a.m.)*

*No. 71 Telegraphic [W 3063/198]*

PARIS, *March 30, 1934, 12.10 a.m.*

I think your telegram No. 68<sup>1</sup> requesting me to ascertain views and intentions of French Government in the event of our modifying our attitude on guarantees has had a most excellent effect.

2. I saw M. Barthou this afternoon<sup>2</sup> who told me his Government realised that they must come to a vital decision. He regrets very much that he cannot give it you at once but must ask you to wait another week. M. Doumergue is compelled to seek a rest for a few days and is leaving for the south tonight returning next Wednesday.<sup>3</sup> Internal situation may become very grave owing to financial measures which Government has decided to take as regards cuts in public expenditure. They may be confronted at any moment by a strike of civil servants and grave decisions may have to be taken next Wednesday. M. Barthou has therefore asked his colleagues to give him a cabinet on Thursday which will be devoted entirely to question of disarmament and he undertakes to obtain a decision for us.

3. He is of course not in a position to forecast what that decision will be but he wishes you to realize the considerations which are present to his mind and that of his colleagues. He impressed upon me that he was talking to me in his capacity of Minister for Foreign Affairs with a full sense of responsibility entailed by his position. He realizes that French answer may decide fate of Disarmament Conference and he wishes you to know that one thing they do not desire is the death of that Conference. He would also like you to know that he considers the present stage of the question as being much improved.

He considers that our memorandum of January 29 was a distinct improvement on the original plan. He thinks Mr. Eden's mission to Berlin was very useful and has improved German attitude. He considers that enquiry which you instructed me to make entitles French Government to hope that it may be possible to strengthen guarantees which may be necessary for proper execution of an arms convention.

On latter point he repeated with emphasis the intense desire of his Government to work for such a convention and he wished me to call your attention to communiqué<sup>4</sup> which was published in Brussels yesterday as a result of his visit.

4. He emphasised to me that all these considerations would be presented to cabinet which is to meet next Thursday and he assured me that French answer would be short, to the point and drafted with determination to arrive

<sup>1</sup> No. 368.

<sup>2</sup> i.e. March 29.

<sup>3</sup> April 4.

<sup>4</sup> The communiqué issued after M. Barthou's visit to Brussels on March 28 recorded the complete agreement of the French and Belgian Governments on all essential points. They recognized the dangers of German rearmament and of an armaments race, and desired the conclusion of an international agreement offering serious guarantees for its effective execution.

at a convention for reduction of armaments. He attached particular importance to your statement that it might be possible to obtain a modification of German proposals because he said it would enable him to explain to his colleagues that the whole position had been improved by possibility of our contemplating important guarantees and a modification of German proposals. In the latter connexion he mentioned to me that Signor Mussolini had told French Ambassador in Rome in a conversation which he had with him yesterday that German Government might be induced to include the Schupos in standing army of 300,000 men which they demand.

5. I was very much struck by businesslike tone of M. Barthou's remarks today which were distinguished by a total absence of rhetoric or historical quotations or judicial arguments. He kept on repeating to me that it was quite impossible for him to anticipate in any way the answer which his Government would give next week but he wished you to realise that considerations which I have mentioned above were strongly in his mind and would prove how determined French Government were to co-operate with us in securing agreement. He attaches particular importance as he presumed you do too to carrying Italy along with us in this work.

6. It is not often that I venture to make a forecast of possible French action which is always liable here to fluctuations of public opinion and Latin temperament but I have the conviction that they are thoroughly impressed by prospect, in the event of failure to reach an arms convention, of a race in armaments in which they think that parliamentary countries, governed as our two countries are, would be severely handicapped as compared with a country like Germany which under a dictatorship can arm independently of public opinion.

7. The Brussels visit as reported in my telegram No. 69<sup>s</sup> of today has had a distinctly sobering effect upon M. Barthou and there is a keen desire on his part to carry Italy along with him.

8. We have therefore a much improved state of mind to deal with and I should give the French the time limit which they ask for. Moreover it is never any use trying to hustle them if we wish to carry them along with us.

<sup>s</sup> Not printed.

## No. 372

*Lord Tyrrell (Paris) to Sir J. Simon (Received April 4, 11.30 p.m.)*

*No. 72 Telegraphic: by telephone [C 2214/20/18]*

PARIS, April 4, 1934

I learn that publication of German estimates with increased military credits<sup>1</sup> is having an unfortunate effect on French Cabinet and is playing into the hands of those opposed to a Convention.

<sup>1</sup> The figures of the German budget for 1934 were published on March 27. Sir E. Phipps briefly reported the increased estimates for military expenditure in Berlin telegram No. 97 of March 28. See also No. 374.

I should be most grateful to receive an indication of His Majesty's Government's attitude on this subject. Anything which I could say to encourage M. Barthou would be most helpful. If you could telephone to me any information that could be used by him to overcome apprehensions of some of his colleagues it might help him in his reply to our questions.

**No. 373**

*Sir E. Phipps (Berlin) to Sir J. Simon (Received April 12)*

*No. 372 [C 2293/20/18]*

BERLIN, April 4, 1934

Sir,

I have the honour to report that reliable information has reached me from two sources recently that recruits taken into the German army at the 'intake' this April are being recruited for greatly reduced periods of service, the infantry being taken for eighteen months and the cavalry for three years. I have no information about the other arms, but presumably the period there would also be for three years.

2. The Military Attaché to this Embassy is under the impression that this measure is a temporary one, and has been introduced in order to enable the army authorities to start recruiting on the basis of one year's service in October 1935. Even if a disarmament convention were signed which allowed Germany a greatly increased army, it is unlikely, Colonel Thorne thinks, that the authorities would be ready to take the men in any numbers until the autumn of 1935. In introducing recruiting on the basis of one year's service, the German army would then be reverting to their pre-war system, whereby the men were given their theoretical and individual training in winter and the summer was devoted to combined training in the field with the result that the army had received the maximum amount of training by the time the harvest was over.

I have, &c.,

ERIC PHIPPS

**No. 374**

*Sir E. Phipps (Berlin) to Sir J. Simon (Received April 6)*

*No. 373 [C 2136/20/18]*

BERLIN, April 4, 1934

Sir,

I have the honour, with reference to my telegram No. 97<sup>1</sup> of the 28th March, to transmit to you herewith the detailed figures of expenditure on the army, the navy and the Air Ministry, for which provision is made in the German budget for the year 1934.

<sup>1</sup> Not printed. See No. 372, note 1.



2. The budget was approved by the Cabinet on the 23rd March. It seems that instructions were issued to the press to postpone publishing the figures of the estimates for the Ministry of Defence and the Air Ministry since they appeared on the first day in only one newspaper—the 'Vossische Zeitung'—which had already announced that it would cease publication at the end of March. The figures, which have now been published in the official 'Reichsgesetzblatt' of the 26th March, reveal the following substantial increases in the estimates of the two services and of the Air Ministry:—

Army—

Increase: 174,560,000<sup>2</sup> from 472,002,650 to 646,563,550 reichsmarks

Navy—

Increase: 50,000,000 from 183,004,350 to 233,004,350 reichsmarks

Air Ministry—

Increase: 131,764,400 from 78,321,900 to 210,086,300 reichsmarks

making a total increase of 356 million reichsmarks. More detailed figures than those given in the enclosures in this despatch are not available.

3. The increase in the army estimates is large, but probably not larger than is necessary for financing the deliberately slow programme laid down by the Ministry of Defence for the expansion of the army—a programme which it seems that the German Government propose to carry through even though the increase of the army has as yet been authorised by no actual international agreement. In the recurrent expenditure a high proportional increase (about 33 per cent.) is found, as was to be expected, in the item for arms and ammunition and in that for pioneers, M.T. signals and fortifications. The increase in the item for pay is only some 20 per cent. and tends therefore to confirm the impression that no large increase in personnel is intended during the present year. A rumour that exceptionally large purchases of remounts had been made is supported by an increase of 20 per cent. in the remount item and of 25 per cent. in the estimate for the veterinary service. The non-recurrent vote for the army shows a rise of nearly 200 per cent., but the Military Attaché to this Embassy learns from sources which are generally well informed that this vote, which totals 80 million reichsmarks, represents the whole of the money made available for the purchase of material and that there are no further credits concealed in other votes.

4. The naval estimate shows an increase of only 1½ million reichsmarks in the recurring expenditure. The largest single increase is one of nearly a million marks, or about 4 per cent., for pay. The non-recurring expenditure shows an increase of about 48 million reichsmarks, or about 90 per cent., and since, in 1933, 48 million of the total non-recurring vote of 59½ million was devoted to shipbuilding and armaments, it would appear that this considerable increase indicates an intention to speed up the naval building programme. An explanation of some of this increase is, however, perhaps to be found in the fact that the present coast artillery guns have been given mobile mountings.

<sup>2</sup> This figure should read: '174,560,900'; cf. Enclosure below.

5. The Air Ministry estimates show the largest proportional increase. All items have leapt up. General expenditure on aviation has risen from 69 million to 122 million reichsmarks; 50 million reichsmarks are allotted to air protection (1,300,000 reichsmarks was in 1933 included for this purpose in the item for the general expenditure of the Ministry on aviation and air protection), and a non-recurring item of 15 million reichsmarks is allotted to the Air Ministry itself. Total expenditure by the Air Ministry has risen from 44 million reichsmarks for 1932 to 79 million reichsmarks for 1933 and 210 million reichsmarks in the present year, a figure which is not far short of that of the naval estimates.

6. A further increase of 1,300,000 reichsmarks is shown in the vote for the Minister of Defence. The million allotted in 1933 to the Technische Nothilfe in the vote of the Minister of the Interior remains and the general administrative expenses contain both the old item of 190 million reichsmarks for police protection and also an item of 250 million reichsmarks for a grant in aid of the S.A. and labour service. This last item corresponds to part of a grant in 1933 towards the combined cost of unemployment relief and the labour service (the cost of the labour service being estimated in 1933 at 200 million reichsmarks) together with grants of about 20 million for the S.A. last year.

I have, &c.,

ERIC PHIPPS

#### ENCLOSURE IN NO. 374

#### *German Army Estimates 1934-35 compared with 1933-34*

	<i>1934-35</i> <i>Reichsmarks</i>	<i>1933-34</i> <i>Reichsmarks</i>		<i>+</i> <i>—</i>
(A) Recurrent expenditure—				
1. Army directorate . . . . .	9,280,000	7,878,100	+	1,401,900
2. Pay, &c., of head- quarters and troops	246,370,000	201,376,800	+	44,993,200
3. Educational establish- ments . . . . .	9,765,000	8,964,500	+	800,500
4. Administration . . . . .	22,885,000	18,770,600	+	4,114,400
5. Supplies . . . . .	24,110,000	18,620,500	+	5,489,500
6. Clothing . . . . .	35,440,000	25,512,600	+	9,927,400
7. Accommodation . . . . .	51,978,000	39,013,300	+	12,964,700
8. Movements . . . . .	4,905,550	4,112,000	+	793,550
9. Medical service . . . . .	5,144,000	3,874,800	+	1,269,200
10. Veterinary service . . . . .	2,760,000	2,176,600	+	583,400
11. Remount service . . . . .	10,635,000	8,060,500	+	2,574,500
12. Arms, ammunition and material . . . . .	88,500,000	67,418,500	+	21,081,500
13. Administration of ord- nance depots . . . . .	13,185,000	11,093,650	+	2,091,350

14. Pioneers, M.T. signals and fortifications .	47,290,000	36,485,500	+	10,804,500
15. Miscellaneous .	2,298,000	1,894,500	+	403,500
	574,545,550	455,252,450	+	119,293,100
(B) Non-recurrent expenditure	80,098,000	27,347,600	+	52,750,400
Total (A) and (B) .	654,643,550	482,600,050	+	172,043,500
Deduct income .	8,080,000	10,597,400	—	2,517,400
Net vote .	646,563,550	472,002,650	+	174,560,900
(C) Reichswehrminister .	2,339,450	1,039,300	+	1,300,150
M.A.'s and N.A.'s abroad	1,097,000	1,231,600	—	134,600
	3,436,450	2,270,900	+	1,165,550

*German Navy Estimates 1934-35 compared with 1933-34*

	1934-35 Reichsmarks	1933-34 Reichsmarks	+
(A) Recurrent expenditure—			—
1. Navy directorate .	3,314,850	3,338,550	— 23,700
2. Pay, &c., of head- quarters and men .	27,471,450	26,530,600	+
3. Educational establish- ments .	1,284,850	1,277,000	+
4. Administration .	8,451,000	8,357,800	+
5. Victualling ashore .	1,233,300	1,808,700	— 575,400
6. Clothing .	4,117,250	4,293,200	— 175,950
7. Accommodation .	3,094,950	3,128,700	— 33,750
8. Travelling and sub- sistence .	1,714,050	1,714,050	...
9. Medical service .	530,250	556,000	— 25,750
10. Horses and motor transport .	381,850	334,950	+
11. Maintenance of ships in commission .	23,388,250	22,691,400	+
12. Maintenance and up- keep of naval forces, of the dockyard at Wilhelmshaven and the arsenal at Kiel	26,776,450	26,686,750	+
13. Artillery, fortifications and blockade services	18,577,400	18,442,250	+
14. Torpedo services .	4,264,000	3,913,550	+
15. Coast and hydrographic services .	939,300	920,650	+

16. Miscellaneous . . .	2,658,150	2,673,050	—	14,900
	<u>128,197,350</u>	<u>126,673,050</u>	+	<u>1,524,300</u>
(B) Non-recurrent expenditure	108,045,850	59,570,150	+	48,475,700
Total (A) and (B) .	236,243,200	186,243,200	+	50,000,000
Deduct Income .	<u>3,238,850</u>	<u>3,238,850</u>	+	<u>...</u>
	233,004,350	183,004,350	+	50,000,000

*German Air Ministry Estimates for 1934-35 compared with 1933-34*

	1934-35 Reichsmarks	1933-34 Reichsmarks	+	—
(A) Recurrent expenditure—				
(a) Aviation—				
1. Air Ministry .	3,178,100	1,387,650	+	1,790,450
2. Air attachés .	44,000	...	+	44,000
3. Air Safety Service	6,989,200	3,468,500	+	3,520,700
4. German Nautical Observatory .	1,275,600	...	+	1,275,600
5. Supervisory Council .	7,800,000	...	+	7,800,000
6. General expendi- ture .	122,190,000	68,817,900 <sup>1</sup>	+	53,372,100
	141,476,900	73,674,050	+	67,802,850
(b) Air protection—				
General expenditure	50,103,250	...		...
	191,580,150	73,674,050		...
(B) Non-recurrent expenditure—				
1. Air Ministry .	15,090,500	4,482,800		...
2. Air Safety Service .	3,517,000	191,600		...
	18,607,500	4,674,400		...
Total (A) and (B) .	210,187,650	78,348,450		...
Deduct income .	101,350	26,550		...
	210,086,300	78,321,900	+	131,764,400

<sup>1</sup> *Note in original:* 'This item in 1933 budget included a sum of 1,300,000 reichsmarks for air protection.'

No. 375

*Sir J. Simon to Sir E. Phipps (Berlin)*

*No. 67 Telegraphic [C 2136/20/18]*

FOREIGN OFFICE, April 6, 1934, 6.0 p.m.

Your despatch No. 373.<sup>1</sup>

His Majesty's Government are very seriously concerned by the heavy increases in the navy, army and Air Ministry estimates published in the 'Reichsgesetzblatt' of March 26. The army increase is very heavy and that for the Air Ministry represents an increase of 250 per cent. on the 1933 figure—something like £10 million at present rates of exchange.

You should address a note to the German Ministry of Foreign Affairs expressing the serious concern of His Majesty's Government at these figures and asking for detailed information (which is not given by the 'Reichsgesetzblatt') as to the reasons for these increases at the present time. You should point out that the total estimates have been published in 'The Times' and are now the subject of questions addressed to me in the House of Commons, which I must answer, enquiring what is the purpose of the expenditure and whether any breach of the Treaty of Versailles is involved or intended.<sup>2</sup>

Repeated to Paris.<sup>3</sup>

<sup>1</sup> No. 374.

<sup>2</sup> Sir E. Phipps carried out his instructions in a note to the German Government on April 7. Sir J. Simon answered questions in the House of Commons on April 9. See Parl. Deb., 5th ser., H. of C., vol. 288, cols 3-4.

<sup>3</sup> Lord Tyrrell was also instructed, in Foreign Office telegram No. 72 to Paris, to inform the French Government of these instructions to Sir E. Phipps.

No. 376

*Lord Tyrrell (Paris) to Sir J. Simon (Received April 7)*

*No. 101 Saving: Telegraphic [W 3286/1/98]*

PARIS, April 6, 1934

My telegram No. 71<sup>1</sup> of March 29.

In handing to me the *aide-mémoire* (my despatch No. 625<sup>2</sup>) in reply to my enquiry with regard to the attitude of the French Government in the event of it being possible to obtain agreement by the two Governments on the question of guarantees for the execution of an arms convention M. Barthou asked me to impress upon you that his reply though only an interim answer is not meant to be dilatory or obstructive; on the contrary he wishes you to know that his Government is unanimous in their determination to get on with the Conference, but that the delay in a final reply is due to its vital character as far as France is concerned.

<sup>1</sup> No. 371.

<sup>2</sup> No. 377.

Paradoxical as it may appear, I am convinced that this Government is now determined for political and economical reasons to get an arms convention and that it is the only kind of Government here which can persuade the country to accept one.

I hope therefore that you will not be too much discouraged by the temporary character of this reply and await the further communication promised to us containing their final views on guarantees and on the military position as affected by our proposals of January 29, their modifications by Germany as reported by Mr. Eden and above all by the military budget of Germany.

I base my optimistic estimate of the French attitude on this question on the paramount necessity to France if only for measures of internal policy to prevent almost at any price a race in armaments.

**No. 377**

*Lord Tyrrell (Paris) to Sir J. Simon (Received April 7)*

*No. 625 [W 3281/1/98]*

*PARIS, April 6, 1934*

His Majesty's representative at Paris presents his compliments to the Secretary of State for Foreign Affairs, and, with reference to Foreign Office telegram No. 68<sup>1</sup> of the 27th March, has the honour to transmit copy of a note from the French Ministry for Foreign Affairs respecting the disarmament question.

<sup>1</sup> No. 368.

**ENCLOSURE IN No. 377**

*PARIS, le 6 avril, 1934*

La note verbale remise le 28 mars<sup>1</sup> au Ministère des Affaires Étrangères par le premier Secrétaire de l'Ambassade d'Angleterre a retenu l'attention la plus sérieuse du Gouvernement de la République. Il n'a pas manqué, par ailleurs, d'être profondément sensible aux commentaires dont a bien voulu l'accompagner, dès le lendemain, Son Excellence Lord Tyrrell dans l'entrevue qu'il a eue avec le Ministre.

Il faut tout d'abord remarquer que la réponse demandée au Gouvernement français est une réponse de principe, pour le cas où les circonstances permettraient la réalisation de deux hypothèses, qui restent, cependant, entièrement à vérifier:

- (1) Hypothèse d'une solution générale ou régionale du problème des garanties d'exécution, ayant pour objet de fixer les limites d'armements dans des conditions assurant l'entière sécurité des signataires de la convention.
- (2) Hypothèse d'une convention satisfaisante sur la base d'un réarmement,

<sup>1</sup> Not printed. This note followed the lines of No. 368.

limité et contrôlé, des États liés jusqu'ici par les clauses militaires des traités de paix. Quand une Puissance aurait obtenu cette revision de ses engagements, on voit mal comment le bénéfice pourrait en être refusé à d'autres.

Ce point de départ d'une convention nouvelle romprait avec toutes les règles essentielles qui n'ont pas cessé d'inspirer et de guider tous les travaux de la Conférence du Désarmement.

Le Gouvernement de la République serait heureux de pouvoir donner la réponse sollicitée par le Gouvernement de Sa Majesté, s'il n'avait le sentiment profond qu'une semblable solution l'engagerait dans des principes différents de ceux auxquels il entend rester fidèle aussi longtemps que la conférence s'associera à sa volonté et à son espoir de signer une convention, conçue dans l'esprit de l'article 8 du Pacte et en harmonie avec le préambule de la Partie V du Traité de Versailles.

Il faut rappeler que la note française du 17 mars, à laquelle se réfère l'Ambassadeur d'Angleterre, déclarait que: 'Seule la Commission générale pourrait dire, avec la participation des États intéressés, si ces principes qui ont, jusqu'ici, guidé ses travaux doivent être abandonnés.' La même note ajoutait: 'Si elles étaient dégagées des obligations juridiques qu'elles ont souscrites, les Puissances ne prendraient en considération, pour se déterminer, que leurs intérêts directs.' Cette dernière considération implique qu'avant de se prononcer sur la question posée par l'Ambassadeur d'Angleterre, la France serait fondée à élucider les divers aspects des deux hypothèses dont cette question dérive, et que les communications qui lui ont été faites n'ont pas permis de dégager jusqu'ici d'une manière suffisante.

Pourtant, fidèle à l'amitié qui le lie au peuple britannique, le Gouvernement de la République tient à ajouter qu'à côté des intérêts directs de la France, il a une trop haute conscience des devoirs que la collaboration internationale impose aux deux pays, pour ne pas répondre, d'une manière positive, à une démarche de l'Ambassadeur d'Angleterre qui a été un nouveau et vivant témoignage de cette amitié.

C'est dans un tel esprit que, sous la réserve d'une réponse de principe qu'il appartient à la seule Commission générale de donner, il est prêt à poursuivre avec le Gouvernement britannique un échange de vues dont il reconnaît toute l'importance et dont il attend les plus heureux résultats.

Au point où en sont les conversations engagées, le Gouvernement de la République ne peut pas répondre qu'il accepte le mémorandum du Royaume-Uni du 29 janvier, avec les modifications qui l'ont suivi, pour base d'une convention où entreraient de nouvelles garanties d'exécution. Cette adhésion, trop générale pour n'être pas équivoque, ne tiendrait pas compte de trop de questions de l'ordre technique et de l'ordre politique, qui sont encore en suspens, et qu'il ne suffit pas d'avoir posées pour les tenir pour résolues.

Aussi le Gouvernement de la République adressera-t-il, à bref délai, à l'Ambassadeur les éclaircissements qu'il a sollicités sur la conception française des garanties d'exécution. D'autre part, il lui fera parvenir diverses de-

mandes de renseignements, en particulier sur des points que la note verbale du 28 mars a indiqués dans ses dernières lignes, mais qu'elle n'a pas précisés.

La France reste fidèle à l'œuvre que la Conférence du Désarmement poursuit depuis deux ans. Elle lui a apporté une collaboration active, qu'il n'a pas dépendu d'elle de rendre plus efficace et d'acheminer vers une solution définitive. Il lui répugnerait de paraître entraver, ou même simplement retarder son succès. Mais, à l'heure où certains budgets accusent, par des chiffres officiels, une augmentation des armements limités par les traités, elle a, une fois de plus, le souci d'accorder avec sa volonté de paix les besoins d'une sécurité dont elle sait le plus grand gré au Gouvernement britannique de rechercher avec elle les conditions et les garanties.<sup>2</sup>

L. B.

<sup>2</sup> This note is printed in the French official publication, *Négociations relatives à la réduction et à la limitation des armements*, Document No. 19.

### No. 378

*Sir W. Selby (Vienna) to Sir J. Simon (Received April 11)*

*No. 73 [R 2154/37/3]*

VIENNA, April 6, 1934

Sir,

In the course of conversation this morning the Secretary-General informed me that Austro-German relations had again taken a turn for the worse. The attacks on the Austrian Government had been resumed in the German press, despite Herr Hitler's alleged injunctions that the attacks were to cease. This latest development was reflected in the attitude of the German Minister in Vienna. Herr Peter, who perhaps sees more of the German Minister than any other Austrian official at the Ballhausplatz, said that he found his relations with Dr. Kurt Rieth again extremely 'difficult'. Herr Peter observed that there were no negotiations of any kind, direct or indirect, proceeding at the present moment between the Austrian and German Governments for an accommodation of the dispute between Austria and Germany. The German Government might protest to our Ambassador in Berlin, among others, that they were ready to respect the independence of Austria, but, despite these protestations, they had most carefully refrained from ever making an offer to the Austrian Government to enter into negotiations with them on the basis of the respect for the independence of Austria and non-interference in the internal affairs of Austria, the conditions on which the Chancellor had always insisted and must continue to insist. The German Government, said Herr Peter, had accommodated their differences with Poland on the basis of respect for Poland's territorial integrity, had even made overtures to France as regards the western frontiers of Germany, but as regards Austria Herr Hitler had not modified his attitude by one hair's breadth, and so long as he persisted in this attitude, there was no hope of any real peace or chance for an economic revival which was so urgently required



in the interests of Germany herself, as well as of the other Powers in Central Europe. Herr Peter said it was, of course, a question of 'prestige' for Herr Hitler. This did unquestionably complicate the position, but did not alter the facts or avert the unfortunate results of the continuance of the present very unsatisfactory state of affairs.

2. I told Herr Peter that the Chancellor had, some months ago (see my despatch No. 314<sup>1</sup> of the 31st October last), spoken to me about Austro-German relations, and had indicated to me that he must insist on respect of Austrian independence and non-interference in Austrian internal affairs as a condition for any settlement with Germany. That attitude (see your despatch No. 288<sup>2</sup> of the 13th November last) had the full approval of His Majesty's Government, as well as of all the other Powers concerned in the fate of Austria.

3. Herr Peter said Signor Suvich would doubtless discuss the position on the occasion of his forthcoming visit to London, remarking on the very intimate relations existing between the Italian and British Governments and the great influence of the latter on the former, which was greater than that of any other European Power.

4. I am sending a copy of this despatch to His Majesty's Ambassador at Berlin, by bag.

I have, &c.,  
W. SELBY

<sup>1</sup> See Volume V of this Series, No. 510.

<sup>2</sup> Not printed.

### No. 379

*Record of Conversation with Mr. Norman Davis in the Secretary of State's Room at the Foreign Office on Friday, April 6, 1934*

[W 3358/1/98]

FOREIGN OFFICE, April 6, 1934

Mr. Norman Davis called on Sir John Simon this morning.

Mr. Eden took part in the conversation. Mr. Strang and Mr. Granville were also present.

Sir John Simon informed Mr. Norman Davis of the enquiries which Lord Tyrrell had been instructed to make of the French Government on the subject of guarantees of execution, and he read him extracts from the telegram to Lord Tyrrell (No. 68 of the 27th March)<sup>1</sup> by which these instructions were sent.

Mr. Norman Davis said that the questions to the French Government were extremely apposite. His own personal opinion was that it was much better to concentrate on the question of guarantees of execution than to embark on the question of guarantees against aggression. In the case of guarantees of execution the situations in which the guarantees would operate were much more easily definable than in the event of aggression. He was not sure,

<sup>1</sup> No. 368.

however, that this point was obvious to the American public. In the United States people would normally care less about what happened inside a foreign country than what might be done by a foreign country outside its own borders. That was why the test of invasion would seem to them to be a reasonable one in the matter of aggression. And of course, the statement which he had made at Geneva in May last on behalf of the United States Government<sup>2</sup> related to a violation of the Pact of Paris and not to a violation of the Disarmament Convention. The question of guarantees of execution had not at that time arisen.

Sir John Simon asked Mr. Norman Davis whether, in his judgment, it was likely that the United States Government would be prepared to extend his statement of May last to include violations of the Disarmament Convention as well as violations of the Pact of Paris.

Mr. Norman Davis explained that at the time when his statement was made what was in contemplation was a convention containing provisions for a substantial measure of disarmament. There had, indeed, been some objection in the United States to that statement on the ground that it might involve the United States in European affairs. In view, however, of the fact that the proposed convention would secure a substantial measure of disarmament, the United States Government thought that the price was worth paying. He could not be at all sure that if the convention which emerged from the conference provided merely for stabilisation at present levels on the Italian plan, the statement of May last would continue to be valid, and still less was it to be expected that that statement could be extended in its scope. If, however, a really good disarmament convention could be secured, it was not, in his personal view, impossible that something on the lines of his statement might be made in regard to violations of the convention.

Sir John Simon recalled that Mr. Norman Davis's statement did not bind the United States Government to do anything. It merely provided that if the United States Government assented to the decision that action should be taken to remedy a violation of the Pact of Paris, the United States would do nothing to nullify that action.

Mr. Norman Davis agreed that this was so.

Sir John Simon said that he had been thinking a good deal about the question of guarantees of execution, and would outline a plan which had been forming in his mind. It was, of course, a personal idea and in no way official. The idea was that within the framework of a world-wide disarmament convention containing provisions for a Permanent Disarmament Commission, there should be a regional guarantee entered into by the European States. Similar regional guarantees for other areas might perhaps be possible. The European representatives of the Permanent Disarmament Commission, accompanied, of course, by their expert advisers, would form a European Committee. This committee would decide, by a majority of, say, two-thirds of those present and voting, as to the existence of an infraction.

<sup>2</sup> See Volume V of this Series, No. 170, note 3.

of the convention by any European signatory and would report its findings to the European States. After an interval the European Committee would have to decide by a similar majority whether the infraction was serious and deliberate. If so, the financial and economic sanctions enumerated in the convention would become operative. As, however, it was obvious that economic sanctions applied against, say, Germany would be ineffective if, for example, the United States did not co-operate, the United Kingdom would declare that they could not bind themselves beforehand to impose such sanctions until they were satisfied that the United States concurred in the conclusions reached by the European Committee and were prepared to co-operate in exerting pressure upon the violator. Sir John Simon thought that a scheme of this kind ought to appeal to the United States as well as to the United Kingdom in that it proposed to deal with the question in a typically Anglo-Saxon manner.

Mr. Norman Davis said that at first sight this proposal seemed an attractive one. It had the advantage of not binding the United States in advance. He wondered, however, what would happen in the event of a serious violation by Japan, which might be much more important to the United States than any violation by a European signatory. On the question also of the character of the financial and economic sanctions to be applied, it had occurred to him that, provided that the affording of financial facilities to the violator was prohibited, it would not be necessary to take definite measures to interrupt trade with the violator in both directions. All that it would be necessary for the other signatories to do was to close their ports against goods coming from the violating State. If, for example, Germany could not sell her goods and enjoyed no financial facilities, it was obvious that she could not buy goods abroad. It was easier to stop the entry of goods from Germany than to stop the entry of goods into Germany, and the measures taken would run no risk of involving questions of neutrality. He was much attracted by the idea that the United States of America and the United Kingdom should be placed in the same class under any scheme for guarantees of execution, and thought that close contact between the two Governments was most desirable in the present state of the world. This applied especially to the naval question. If Japan were to refuse to bind herself in a naval convention, the United States and United Kingdom Governments should agree to maintain parity as between themselves and to raise or lower their naval forces in unison according as other countries raised or lowered theirs.

Sir John Simon said that whatever detailed provisions might be made in regard to the application of guarantees of execution, it was certain that the real decision would be taken not at Geneva, but by consultation between the United States and United Kingdom Governments.

The conversation then turned to the forthcoming proceedings at Geneva.

Mr. Norman Davis said that an adjournment was clearly desirable. He was not yet certain whether he himself would go to Geneva for the meeting of the

Bureau on the 10th April. He understood that M. Barthou would go if Sir John Simon went, but not otherwise. His latest information from Paris was that M. Barthou and Marshal Pétain, as well as M. Léger, seemed to have been converted as to the desirability of a disarmament convention, though M. Tardieu and M. Herriot were apparently still unconvinced that a convention was desirable. The French were apparently not at all certain that they could safely mobilise their people and put arms into their hands, and no doubt budgetary difficulties were also a serious consideration. M. Massigli was apparently doing his best to persuade the French Government that it was in their interests to have a disarmament convention.

No. 380

*Sir E. Drummond (Rome) to Sir J. Simon (Received April 12)*

*No. 303 [R 2178/59/92]*

ROME, April 7, 1934

Sir,

Six months of closer acquaintance with Italian foreign policy have led me to the conclusion that, with one notable exception, its ostensible aims do not diverge widely from what, in fact, are its real aims. In the past few years the attitude of the Fascist Government in international problems has, on the whole, been comprehensible and, generally speaking, straightforward. In matters pertaining to war debts, reparations and disarmament, Signor Mussolini has shown common sense, discernment and a prudent sense of realities. In other fields, such as treaty revision and the problems raised by the present economic conditions of the Danubian countries, Italian policy, if it has not always commended itself to certain European Governments, is, at least, intelligible from a purely Italian point of view.

2. I have said that one exception must be made to these general observations. That exception, which is the subject of the present despatch, is this country's attitude towards her neighbour, Yugoslavia. For many years past—indeed, one might say from the moment Yugoslavia came into being as a separate State at the end of the war—the relations between Belgrade and Rome have been far less friendly than the actual circumstances would appear to warrant.

3. It is unnecessary to examine in detail the chequered history of the last fourteen years. Mutual suspicion and rivalry have produced their customary and lamentable results. Some of the fundamental causes of Italo-Yugoslav antagonism which were present in 1920 persist in 1934. Yugoslavia still occupies territory which Italy was awarded under the Treaty of London; Yugoslavia is still the inheritor of the position formerly occupied by Italy's hereditary enemy, Austria; Italy still hankers after the Dalmatian coast for sentimental reasons and in order to guarantee the safety of her fleet in times of war; in Albania Italy still claims a special position, which Yugoslavia is loath to recognise.

4. Some of the basic facts governing the relations between the two countries have, however, since the war, undergone modification. Both countries have consolidated their positions in Europe and both have received, by one method or another, considerable accessions of strength. In the first place, the forces of disruption in the Serb-Croat-Slovene Kingdom, on which the Italian Government confidently counted in the past, have not led to the developments so eagerly awaited by the authorities in Rome—developments which many will say they actively endeavoured to promote. On the contrary, according to reports from Belgrade, the King is more firmly than ever in the saddle. Yugoslavia, no longer a mere Balkan satellite of France, is militarily the strongest and, in all probability, politically the most weighty member of the Little Entente; she has, in the last few weeks, signed the Balkan Pact and is, at this moment, being courted by Germany. Still more important, from the point of view of her relations with Italy, is the Franco-Yugoslav treaty of 1927,<sup>1</sup> which, in the troubled state of Franco-Italian relations during the post-war period, has been generally regarded in this country as a direct threat to Italy. Latterly, Franco-Italian relations have shown signs of improvement and, to this extent, the Italo-Yugoslav problem may be easier to solve. (There are, indeed, some who hold that the difficulties between Rome and Belgrade will never be settled until the Franco-Italian position has been liquidated—an extreme view to which I should myself be reluctant to subscribe.) While Yugoslavia has thus added several cubits to her stature, Italy has, perhaps to a greater degree than any other country in Europe, increased in the last ten years her material power and prestige. She was a great Power in name, but not in fact, in 1922; now she is treated on terms of equality by Great Britain, France and Germany. It would thus appear that the problem of the relations between the two countries remains much the same in so far as the relative strengths of the protagonists are concerned, though complicated by entanglements which were not so clearly present at the beginning of the period under review.

5. There are, however, certain other factors to be taken into account which perhaps afford some ground for an optimistic view of the possibilities of a definite arrangement. First and foremost, there is the inexorable pressure exercised by economic facts and conditions. This must, it would seem on any reasonable estimate, tend to a closer understanding between the two countries; Italy is today Yugoslavia's best customer, while the latter country offers the most promising outlet for several lines of Italian manufactures. A second factor is the diminution in the volume and intensity of irredentist propaganda on both sides. Incidents continue to occur—a typical example was the defacement of the Venetian lions at Trau late in 1932—but such incidents are happily becoming rarer, and the press polemics which both accompanied and stimulated them have certainly diminished, although they are by no means dead. (See paragraph 4 of my despatch No. 246<sup>2</sup> of the 20th March. As a current example of the apparent incapacity of Italians to

<sup>1</sup> Printed in *British and Foreign State Papers*, vol. 127, pp. 500–2.

<sup>2</sup> No. 358.

leave Yugoslavia alone, I enclose a copy of an article<sup>3</sup> which appeared in the 'Popolo d'Italia' two days ago crossing the T.'s and dotting the I.'s of a statement made recently by a Senator in the Yugoslav Parliament in regard to his Government's policy in the Dalmatian littoral.) A third factor to which I have already alluded, and shall again refer, is the Italian claim to a special position in Albania. Without in any way abating or abandoning this claim, Italy is today content to pursue a much less aggressively forward policy in Albania, which no longer appears to constitute the chief overt source of friction between Rome and Belgrade.

6. On balance, therefore, it would seem that the actual constituents of the Italo-Yugoslav problem today may be more amenable to negotiation and friendly settlement than they have been in the past. The basic problems remain—psychological, as well as material—but their setting has altered and has altered for the good. If this is so, it is the more disappointing that the negotiations between King Alexander and Signor Mussolini, which were initiated in the autumn of 1932 under what appeared to be favourable auspices, were, it is alleged, broken off by the latter for no very apparent reason. 'No very apparent reason'—this is the brick wall against which any impartial observer of Italian policy towards Yugoslavia seems eventually to arrive. It is the apparent incomprehensibility of Italy's attitude towards Yugoslavia that is so irritating and which appears to differentiate this aspect of Italian foreign policy from all others.

7. What, in fact, are the mainsprings of Italian policy towards Yugoslavia? What interests does this seemingly negative policy subserve? It is the answers to these questions which may be expected to explain the otherwise inexplicable policy pursued by the Italian Foreign Office. Italy's motives may be any of the following:—

- (1) Plain territorial ambitions. These may take the form of either (a) a desire to acquire what she was promised and has never obtained under the Treaty of London, or (b) the greater ambition represented by the reversion of large slices of territory following on a possible disruption of the Yugoslav Kingdom.
- (2) The protection of her special position in Albania. I am sometimes tempted to wonder whether the Palazzo Chigi, though not Signor Mussolini himself, have altogether abandoned the hope of a possible disintegration of Yugoslavia. If such a hope still lingers, it would go far to explain certain phenomena which are otherwise difficult to account for. On the other hand, (1) (a) and (2) above would, in themselves, account for a good deal of the more devious and less commendable aspects of Italian policy.
- (3) Reasons of internal policy, i.e., the difficulty of admitting to the world at large and to Italian public opinion in particular that the calculations made in the past and the policy based thereon were erroneous, and of altering that policy after so much emphasis has been

<sup>3</sup> Not printed.

laid upon it in the press and by the Fascist party itself. As this, in effect, becomes largely a question of prestige and involves, to some extent, the Duce himself, I am inclined to hold that it is at the present time the primary obstacle to be overcome. Further, although Italy has, as I have stated, become today a great Power in fact, she is still peculiarly sensitive on the subject of her newly acquired status, and may consider it as inconsistent with her dignity to approach Yugoslavia as if the latter were her equal.

8. Whatever the explanation may be, it was with some such thoughts and considerations about Italo-Yugoslav relations as are sketched above in the back of my mind that I had a general conversation on Italian policy the other day with the Marquis Theodoli. The president of the Mandates Commission has been my friend for many years, and, although he is not employed officially by the Ministry for Foreign Affairs, he is in the closest touch with the Palazzo Chigi and maintains intimate personal relations with the head of the Government. We had been discussing M. Barthou's forthcoming visit to Prague<sup>4</sup> and the Marquis Theodoli had been telling me that, while he had been in Prague he had worked closely with the French Minister there, and had found the latter most helpful in supporting his point of view. The Anglo-French influence which had been exercised on Dr. Benes had been extremely useful, and he believed that, though Dr. Benes was quite ready to do what he could to aid as regards Austria, he had stated that he could not leave the other members of the Little Entente in the lurch. The key point had therefore become Yugoslavia. Economic negotiations were going on and he hoped that some arrangement might be come to.

9. When the Marquis Theodoli mentioned Yugoslavia, I felt that, in view of my personal relations with him and of his wide experience of international affairs, I could, with propriety, express myself freely, though, of course, quite personally, on a subject which had been in my mind for some time past. I therefore replied that, though I was much interested in what he had said about economic negotiations, I feared that an economic settlement alone would not be sufficient. Quite frankly, while I understood and appreciated generally the straightforwardness of Italian foreign policy, there was one aspect of it which puzzled me, namely, the Italian attitude towards Yugoslavia. I should have thought that it was strongly to Italian interests to come to an agreement with that country. The Marquis Theodoli replied that this was so and that Signor Mussolini and the Italian Foreign Office were anxious to secure a political *détente*; but it was difficult to know how to begin. Could not the French and British Governments use their influence to help forward such a desirable end?

10. I said to him that, as far as I could see, there were three reasons which led to Yugoslav distrust of Italy. The first was that Italian policy had seemed to be directed towards the dislocation of the Yugoslav Kingdom, and this had given great offence to the King. The Marquis Theodoli admitted that this

<sup>4</sup> M. Barthou visited Warsaw, April 22-24, and Prague, April 26-28.

had been so, but he implied that the Italian Government had now seen the error of their ways in this respect. The second point, I said, was the irredentism which was shown on both sides. The third was the fear of Italian absorption of Albania, or, at any rate, that Albania would be used as an Italian military base against Yugoslavia.

11. The Marquis Theodoli observed that none of these three points corresponded in fact to Italian foreign policy. I replied that this might be so, but I felt certain that the Yugoslav Government had grave suspicions with regard to all three, and if a better state of relations was to be reached, it was necessary that these fears should be dissipated. Further, the Yugoslav Government had, I believed, taken the recent speech made by Signor Mussolini in an entirely different spirit from that in which Signor Suvich had described it to me. Signor Suvich had told me—and the Marquis Theodoli stated that the Under-Secretary had said the same thing to him—that the passage about Yugoslavia in the speech was intended as an invitation to friendly negotiations. I gathered that the Yugoslav Government had not construed it in this sense, but had rather read into it a hostile intention. The Marquis Theodoli asked whether it would not be possible for His Majesty's Government to explain in Belgrade the true aims and scope of Italian policy and thus to start the negotiations. I replied that, while I felt sure that my Government would be delighted if an agreement could be reached and would be as helpful as possible, I hardly thought that they would feel justified in taking any such initiative.

12. I explained to the Marquis Theodoli that, while Yugoslavia would certainly have welcomed an agreement with Italy a year ago, the Yugoslav position was today much stronger, since she was being, to some extent, courted by Germany, was a member of the Little Entente and had signed the Balkan Pact. She was therefore no longer isolated and might be somewhat more difficult to deal with than would have been the case previously.

13. The Marquis Theodoli took some notes during the conversation, and I understand that he will report to Signor Suvich the gist of what passed between us, making it clear, however, that it was a purely informal talk and that I was speaking personally and was not in any way committing my Government. He has since told me that, in reporting this conversation to Signor Suvich, the latter remarked that it had arrived at a most opportune moment. I understand that the substance will now be reported to Signor Mussolini, and the Marquis Theodoli has promised to let me know the results.

14. Whether or not this conversation bears any fruit, there is one aspect of the problem on which I should like to add a few words. In his despatch No. 12<sup>5</sup> of the 23rd January last Sir Robert Hodgson enclosed a memorandum on Italo-Albanian relations, in which he advocated the neutrality of Albania as a means of laying 'the spectre of a conflict between Italy and Yugoslavia over Albania'. He went on to say that 'the essential clause in such an instrument would be an undertaking by the signatories to refrain in any circumstances from violating the independence of Albania or the

<sup>5</sup> Not printed.



integrity of her frontiers by military action, whether from within the country or directed against it from outside'. The idea is not without attraction and, within certain limits, I do not believe that it should prove wholly impracticable. If such a scheme were, however, tantamount to asking the Italians to give up their special position in Albania, then I see little, if any, hope of its acceptance in this country. But would it not be possible to combine some such neutralisation with an Italian special position? Italy's main object in Albania is, I believe, to prevent any other Power from occupying or dominating that country. The possibility of using Albania as a military base against Yugoslavia, although no doubt present to the minds of Italian statesmen, is an entirely secondary consideration. If, however, a settlement with Yugoslavia were within sight, the Italians might possibly be ready to accept a scheme of neutralisation, provided they were not required to abandon formally the advantages alleged to have been conferred upon them by the decision of the Conference of Ambassadors. The practical loss for Italy entailed by any such agreement would hardly seem to be existent, since Italy, Yugoslavia and Albania are all members of the League of Nations and signatories of the Briand-Kellogg Pact.

15. Copies of this despatch have been sent to His Majesty's Representatives at Belgrade and Durazzo.<sup>6</sup>

I have, &c.,

ERIC DRUMMOND

<sup>6</sup> Sir E. Drummond was informed by despatch on May 25 that his language to Marquis Theodoli was approved.

### No. 381

*Sir J. Simon to Mr. Patteson (Geneva)*

*No. 14 L.N. Telegraphic [W 3385/1/98]*

FOREIGN OFFICE, *April 9, 1934, 9.10 p.m.*

Following for Mr. Eden<sup>1</sup>:—

Ministerial Committee, while leaving you full discretion as alone able to judge local conditions, express some views which will guide you in your difficult task at Geneva. It is clear that you should not yourself propose any adjournment and you should avoid any attitude or declaration which might be interpreted as relieving the Bureau or the General Commission of their proper functions and as accepting the burden of further negotiation. Your objective report of recent communications will, we presume, include the statement that the French Government has promised its definitive reply to us very shortly and no doubt the Bureau will wish to hear about this before precisely deciding its future course. Would it not therefore be better for the Bureau to adjourn long enough for this purpose, say for a fortnight, rather

<sup>1</sup> Mr. Eden left London on April 9 for the meeting of the Bureau of the Disarmament Conference.

than to adopt at once a date like May 23 for the General Commission? Our concern is:

- (a) To get a prompt and definite answer from France;
- (b) To avoid further delay which may only be exploited by Germany for making further demands; and
- (c) To secure that the Bureau resumes its full responsibilities as soon as possible.

No doubt you will be taking soundings as soon as you arrive. A full report on the position in time for Wednesday's<sup>2</sup> Cabinet would be welcome. You will bear in mind also the necessity of supplying sufficient information for answers to questions which are sure to be put in Parliament.

<sup>2</sup> April 11.

### No. 382

*Sir E. Phipps (Berlin) to Sir J. Simon (Received April 10)*

*No. 81 Saving: Telegraphic [C 2211/20/18]*

BERLIN, April 9, 1934

Your telegram No. 67.<sup>1</sup>

I have just seen Baron von Neurath who will answer my note in writing. He tells me, however, that he has already telegraphed to the German Ambassador in London to give you full information regarding the increases in these estimates.<sup>2</sup> His Excellency says that before going away on his holiday he had given directions that in case figures were published ample explanations for the increases should be published at the same time; but owing to Easter this was not done.

You will by now have received full particulars from the German Ambassador, but Baron von Neurath explained that the big increase in the army estimates was due to the heavy expenses entailed by the forthcoming transformation of the German army into a short-term body. The naval increase was due to the replacement of very old cruisers which were no longer seaworthy and were called 'floating coffins' by the fleet. These cruisers were merely to replace the old ones and were not in addition to any allowed under the Treaty.

160 million marks of the air budget were to be spent chiefly on transforming one-motor aeroplanes into three-motor planes for purposes of safety, and on organising a modern system of night-flying which requires expensive lighting of aerodromes, etc.; 50 millions of marks were to be spent on the organisation for air protection, concrete cellars, etc.

<sup>1</sup> No. 375.

<sup>2</sup> See No. 383.

*Sir J. Simon to Sir E. Phipps (Berlin)*

*No. 18 Saving: Telegraphic [C 2171/20/18]*

FOREIGN OFFICE, *April 10, 1934*

Your telegram No. 81 Saving.<sup>1</sup>

Counsellor of German Embassy communicated to the Foreign Office on April 6 the following translation of a telegram from his Government.

'Inaccurate reports having been published in the press of the world concerning the new German budget which had given rise to unwarranted attacks against Germany, the following facts should be borne in mind:

'The Army Budget provides, as regards expenditure, for a sum total of 654·6 million marks, thus for 172 million marks more than in the budget of the preceding year. This increase is necessary in view of the preparations provided for in the fiscal year 1934/5 with regard to the transformation of the German army into a short service militia in accordance with the present position of the negotiations concerning the question of disarmament.

'The expenditures provided for in the Naval Estimate amount to 236 million marks, thus to 50 million more as compared with those provided for in the preceding year. This increase is occasioned by the rising costs requisite for the systematic renovation of German shipping material which has been antiquated for a long time, the substitution of which could alone out of regard for the safety of the crews no longer be deferred.

'The Budget of the Air Ministry cannot be regarded as an armament budget. This budget is divided into a budget for aviation on the one hand and into a budget for protection against air attacks on the other.

'The expenditures for the budget for aviation amount to approximately 160 million marks. They are caused by the substitution of antiquated aviation material of private aviation companies (Lufthansa) which, like in other countries, receive government subsidies; the substitution of aeroplanes with 1 motor by aeroplanes with 2 or 3 motors, the development of long distance flights also during the winter, and the extension of flying at night. The latter demands greater safeguards for passengers and crew and the extension of the fuelling system as well as of the radio sounding system. Besides these the increase in expenditures is also caused by the great expansion of trans-maritime aviation as well as of the scientific research with regard to aviation.

'The expenditure for protection against air attacks, which in the preceding year only amounted to 1½ million marks, amounts to approximately 50 million marks. This increase is caused by the almost entirely new development of a widespread organisation for the protection of the population against air attacks, which includes the construction of splinter- and gasproof basements, the instruction of poison gas,<sup>2</sup> the furtherance of the fire extinguishing system, and the introduction of other methods necessary for the protection against air attacks.'

<sup>1</sup> No. 382.

<sup>2</sup> The text communicated by Prince Bismarck here read: 'instruction of formations charged with the combating of poison gas . . .'.

*Sir J. Simon to Lord Tyrrell (Paris)**No. 566 [W 3387/1/98]*FOREIGN OFFICE, *April 10, 1934*

My Lord,

M. Corbin saw me this morning. He said that my answer in the House of Commons yesterday on the subject of the increase in the estimates for German armaments<sup>1</sup> had given great satisfaction to the French Government. I told him that we should want to know the view both of the French and of the Italian Governments on the subject. He dwelt particularly on the increase in the air estimates, but I said that the matter on which I expected an even more difficult question to arise would be the military estimate, for we had reason to think that Germany would seek to justify this further military expenditure by saying that it was necessary in order to transform the Reichswehr into the new short-service army contemplated in recent disarmament discussions. If that was the explanation offered, the question would at once arise whether Germany was claiming to make this transformation without regard to the reaching of an arms agreement at all. If so, this was a claim to act in disregard of the Peace Treaty. I asked the Ambassador to direct his Government's attention to this aspect of the matter and to ascertain their views.

2. The Ambassador then referred to the French note of the 6th April,<sup>2</sup> and enquired what impression it had made upon me. I told him that we, of course, appreciated that it was only an interim communication and we were waiting for the final note which had been promised shortly. But, speaking frankly, the principal feeling I had about the interim note was that it was extremely difficult to understand. We had put to the French Government two plain and straightforward questions, and it did not appear that either of them was dealt with in the documents just received. No doubt this defect would be remedied in the final note.

3. The Ambassador urged that we should not feel unduly disappointed by the interim reply, and assured me that the French Government were, in fact, most favourably impressed by the recent British advance. The suggestion that it might be possible to consider guarantees for the due execution of an arms agreement had opened up an entirely new prospect. But the French Government found it exceedingly difficult to affirm the proposition that Germany should be allowed any rearmament at all. There was, he said, 'a movement of public opinion against the rearmament of Germany'. The French people felt that any such rearmament would constitute 'a great injustice'. The British approached the question from a different point of view and were disposed to think that the question was governed by the *fait accompli*. It was because of this French attitude, he explained, that the French note discussed the hypothesis of Germany's permitted rearmament, and it was for the same reason that M. Barthou wanted a meeting of the General

<sup>1</sup> See No. 375, note 2.<sup>2</sup> See Enclosure in No. 377.

Commission, for which he had suggested the 23rd May as the date, so that the General Commission itself could approve the new basis of possible agreement.

4. I at once interposed to say that this reference to the 23rd May was disturbing. I had hitherto understood that we were to get the definitive reply from France in a few days. Your Excellency had so reported as the result of your interview with M. Barthou. We could not possibly wait for six weeks before hearing what was the French Government's answer to our simple questions. The Ambassador confirmed my statement that we were to expect the French reply 'in a few days'. I replied that so long as this was clear I quite understood M. Barthou's desire to secure ultimately the approval of the General Commission for a basis provisionally agreed between us.

5. The Ambassador used language which seemed to suggest that there were a large number of doubtful details which the French would have to enquire about or deal with in the reply which we shortly expected, so I said that in order to simplify the issue I would hand him a short note which formulated the two questions which His Majesty's Government would like the French Government to answer. It was useless to spend time in speculating about guarantees for the due observance of an arms agreement if the French could not see their way to accept what appeared to be the only possible basis of agreement, viz., the British memorandum of the 29th January, with certain modifications insisted upon by Chancellor Hitler which Mr. Eden had reported to the French Government when last in Paris. On the other hand, if the French Government could see their way to come to an agreement involving these terms, provided that guarantees for due execution were entered into, the remaining question was, what are those guarantees, and how do the French consider that they should be defined? His Excellency said that he would be glad to have the note, and I promised to send it to him in the course of the day.

6. Before leaving, M. Corbin enquired my view as to the publication of the French interim note. I said that I must not conceal my strong opinion that if it was published it would produce a most unfavourable impression in this country. On the occasion of the previous French note of the 19th March, we had taken every step open to us to secure that the British press should not pronounce prematurely an unfavourable judgment. But I did not see how the French interim note could escape the criticisms that it did not attempt to answer the questions which we had formulated. The Ambassador observed that a note so drafted as to please public opinion in one country might at the same time have the exactly opposite effect in another country, and that the French Government, in suggesting publication, were no doubt thinking of the French public. He was disposed to agree, from his knowledge of the British attitude and press, that it would be better not to publish the interim note, and we parted agreeing that there should be no publication of this document.

I am, &c.,  
JOHN SIMON

*Sir J. Simon to the French Ambassador*<sup>1</sup>

[W 3394/1/98]

FOREIGN OFFICE, April 10, 1934

My dear Ambassador,

At our interview this morning I promised to let you have a statement from myself of the two questions in respect of which His Majesty's Government are anxious to learn with the least possible delay the French Government's attitude. These two questions may be formulated as follows:—

(1) Supposing it were found possible for agreement to be reached on 'guarantees of execution' of the proposed Arms Convention, whether the French Government would be prepared to accept as the basis of such Convention the United Kingdom memorandum of January 29 as modified in accordance with the proposals which were made by Chancellor Hitler to Mr. Eden and which were communicated by the latter to the French Government on March 1. It may be that these last-named proposals are open to further modification, but for the purpose of ascertaining the position taken up by the French Government it is convenient to assume that they remain as stated by Mr. Eden.

(2) If the answer to the first question is in the affirmative, what is the exact nature of the 'guarantees of execution' which the French Government propose.

His Majesty's Government note that the French Government propose very shortly to furnish explanations of the French conception of 'guarantees of execution', and I was glad to hear from you today that we might expect the French note in a few days time. We therefore hope that in this reply the French Government will be able to give a definite answer to the two questions above set out. By so doing the French Government will make a most valuable contribution to our own understanding of the actual situation, as to which it is becoming increasingly evident that prompt agreement, based upon our close collaboration, is greatly to be desired.

It would be convenient, I think, if in their forthcoming reply the French Government treated the above two questions as the formulated expression of the two matters on which His Majesty's Government would welcome the elucidation of their views.

Yours very sincerely,

JOHN SIMON

<sup>1</sup> This letter was published in Cmd. 4559 of 1934.

*Sir E. Phipps (Berlin) to Sir J. Simon (Received April 16)*

No. 396 [C 2391/1/18]

BERLIN, April 10, 1934

Sir,

I have the honour to acquaint you that Dr. Schacht made a statement to the press at Bâle on the 9th April regarding the German exchange position and the question of Germany's foreign debt. A translation of the report of this statement, as issued by the German News Agency, is appended to this despatch.

2. You will no doubt remember that in a speech made on the 16th March before the American Chamber of Commerce, Dr. Schacht suggested that Germany had already repaid the whole of her commercial debt and that the foreign debt now remaining was political in origin, with the implication that such debt did not deserve much consideration. This speech had, I believe, very unfavourable reactions in the United States, and it is no doubt this fact which has moved Dr. Schacht to turn back and reaffirm his previous attitude that all debts contracted by Germany with foreign private lenders were to be regarded as private debts, whether their origin was political or not.

3. There have been rumours in Berlin lately that Germany might endeavour to obtain fresh medium-term credit in the United States for the purpose of financing imports of raw materials, and that Dr. Schacht might go to Washington personally at the head of a German mission to negotiate on the subject (see my despatches Nos. 354<sup>1</sup> and 397<sup>1</sup> of the 28th March and the 10th April respectively). These rumours were no doubt largely *ballons d'essai*, and judging by the report from 'The Times' correspondent in Washington published in that newspaper on the 2nd instant, they appear to have had an unfavourable reception in America. Dr. Schacht's statement at Bâle that he did not wish to contract new debts appears to indicate that he has now abandoned this plan of attempting to raise fresh credit.

4. The allusion towards the end of Dr. Schacht's statement to arrangements which would enable Germany to continue the import of raw material is interpreted by the German press as referring to possible barter arrangements. I have heard from other quarters that German importers who apply for an addition to their regular quota of foreign exchange are now being informed that they can only obtain such an additional quota through entering into barter arrangements, in other words, by marrying their additional imports to German exports.

I have, &c.,

ERIC PHIPPS

<sup>1</sup> Not printed.

*Statement made by Dr. Schacht to the Press at Bâle on April 9, 1934*

(Translation.)

BERLIN, April 10, 1934

The following report is issued by the German News Agency:—

'The preliminary discussions of the American, English, Swiss, Dutch and Swedish creditors of Germany regarding the transfer question, which began here (in Bâle) on Saturday,<sup>1</sup> were continued on Sunday and Monday. The president of the Reichsbank, Dr. Schacht, who was requested by press representatives to answer various questions regarding the German foreign debt position, expressly emphasised to the representative of the German News Agency that he had never adopted nor encouraged the view that German debts should not be recognised. "In a speech to the Bond Club of New York," continued the president of the Reichsbank, "I already stated on the 9th October, 1930, and I state it again now, that we regard as private debts all loans and credits in which money has been invested by private investors or commercial and financial credit institutions, no matter from what origin they have arisen, whether political or non-political. Germany is determined to pay these debts. The present German debt problem is not a question of non-fulfilment, since every German debtor, whether private debtor or public debtor, has, according to the present legal provisions, to pay the full amount of his obligations in reichsmarks to the Conversion Office for the account of the trustee of the foreign bondholder. What Germany cannot for the time being manage is to provide foreign "Devisen" in exchange for these reichsmark payments, since Germany does not earn enough "Devisen" to ensure transfer."

"To a question regarding the present "Devisen" position and whether, if no "Devisen" are available for transfer purposes, the president of the Reichsbank believed that there must be a postponement of transfers, Dr. Schacht answered: "As things are it seems to me that a postponement of transfer is unavoidable in the present circumstances."

"To the next question: "Do you believe that a reduction of the interest rate for the existing loans would be suitable?" Dr. Schacht replied: "Since the position of world trade has become so much worse, I believe that any reduction of interest would be of use. I believe even that such a reduction would be justifiable from the economic and moral standpoint, since present interest rates in all countries have generally fallen. It seems to me, therefore, not to be fair to take 6 and 7 per cent. interest, when all other loans in the great industrial countries carry much smaller interest rates. But obviously Germany cannot, and will not, carry out a unilateral alteration in the interest rates. It is the task of the creditors to decide whether a reduction of the interest rates would not be a wise measure."

"The press representatives then referred the president of the Reichsbank to the rumours that Germany was negotiating for credits for the purpose of financing her imports of raw materials. They asked for information also on

<sup>1</sup> April 7.



this point. Dr. Schacht declared: "I have never sought, nor entered into negotiation for new foreign credits. I desire to pay the old debts and not to contract new debts. Since, however, Germany is short of "Devisen" we are compelled to limit our imports of raw materials, which naturally means a further restriction of world trade. I have, however, some hope that arrangements may be possible between Germany and her creditors by which Germany would be put in a position to continue the part which she has played in the past as an important purchaser of raw material. Only in this manner can it be made possible for Germany to pay her debts. There is only one way to pay off old debts, namely, that of future revival of business."

No. 387

*Lord Tyrrell (Paris) to Sir J. Simon (Received April 12)*

*No. 103 Saving: Telegraphic [W 3430/1/98]*

PARIS, April 11, 1934

Your telegram No. 73.<sup>1</sup>

I saw both M. Barthou and M. Léger yesterday. I found that they were under no misapprehension as to the nature of the answer which you desired to receive to your enquiries.

2. I was assured that the consideration necessary before an answer could be given was proceeding as rapidly as possible but was still some way from completion.

3. The French Government realise that the time for vague generalities is past and are seeking to formulate their reply in the most precise and definite terms possible. They are, however, somewhat handicapped by (i) ignorance of our attitude towards the points enumerated in paragraph 12 of the French memorandum of March 17, and by (ii) ignorance of the exact meaning of the phrase 'United Kingdom Memorandum of January 29 together with modifications to it proposed by German Government, these modifications being if possible reduced to more modest proportions'. Does it mean the British Plan as revised by such German modifications as you are willing to accept (i.e. excluding for instance that relating to aircraft), or does it mean the British Plan as revised by the German claims in their entirety? In other words they are not quite clear what exactly is the nature of the convention which they have to contemplate when formulating the guarantees on which they would find it necessary to make their participation conditional.

4. I said that His Majesty's Government were in the same boat; they were anxious to reduce some of the German claims but they could not, any more than the French Government, say at this stage whether it would prove possible to do so. The main difference related to the claim for aircraft; it

<sup>1</sup> Not printed. This telegram of April 9 asked Lord Tyrrell to consider whether any further explanation to M. Barthou was required 'as to the nature of the enquiry we are making and the nature of the reply for which we are asking'.

seemed possible that we should fail to induce Hitler to withdraw it. My personal opinion therefore was that the French Government would do well in framing their reply to cater for that eventuality.

5. It is possible, nevertheless, that they may feel compelled to put one or two questions to you before putting their answer into final and definite shape. Repeated to Geneva.

No. 388

*Sir E. Phipps (Berlin) to Sir J. Simon (Received April 12)*

*No. 413 [C 2275/20/18]*

BERLIN, April 11, 1934

Sir,

With reference to my telegram No. 101<sup>1</sup> of today's date, I have the honour to transmit to you herewith a copy<sup>1</sup> and a translation of the note in which the German Government explain the increase in the budgetary estimates for the army, navy and air force.

2. In my despatch No. 395<sup>1</sup> of the 10th April I drew attention to the resentment expressed by the 'Völkischer Beobachter' at the questions in the House of Commons and the enquiry of His Majesty's Government. There was, the newspaper declared, no budgetary limitation imposed on Germany by the Treaty of Versailles. This sentiment is rather implied in the last paragraph of the German note.

3. I am sending a copy of this despatch, with enclosures, to the British delegation at Geneva.

I have, &c.,  
ERIC PHIPPS

<sup>1</sup> Not printed.

ENCLOSURE IN No. 388

*Baron von Neurath to Sir E. Phipps*

(Translation.)

BERLIN, April 11, 1934

Your Excellency,

In reply to your communication of the 7th April,<sup>1</sup> I have the honour to inform you as follows:—

As is apparent from the recently published German budget for the budget year 1934–35, the estimates for the army have been fixed at 654·6 million reichsmarks, which represents an increase of 172 million reichsmarks in comparison with the budget of the previous year. This increased expenditure is necessary for the preparations, due to take place in the course of the budget year 1934–35, for the conversion of the Reichsheer into a short-service army. The allocation of these sums in the budget for this purpose arises from the

<sup>1</sup> See No. 375, note 2.

state of the negotiations in regard to the disarmament question. The expenditure for the naval budget has been estimated at 236 million reichsmarks, which represents an increase of some 50 million reichsmarks in comparison with last year. This increased expenditure is due to the increasing cost of the systematic renovation of the long since obsolete units of the German fleet, the replacement of which, partly on the ground of the security of the crews, can no longer be postponed.

The budget of the Air Ministry cannot be regarded as an armament budget. It consists of a budget for air *transport* and a budget for air *protection*. The estimated expenses for air transport amount to 160 million reichsmarks, whereas in the budget for the previous year some 77 million reichsmarks were provided for this purpose. The increase is due to the replacement of the obsolete aeroplane material of the private German air transport company (Lufthansa), which, as in other countries, receives Government subsidies; in this respect it is principally a question of replacing single-motored aeroplanes by two or three-motored aeroplanes; further, in the case of the Lufthansa, with a view to improving the conditions of transport, the long-distance lines are to be operated in winter as well, and night flying considerably increased. On account of the last measure, considerable expenses will become necessary for increased security in the air, and for the installation of lighting and wireless direction-finding systems. In addition, the increase is occasioned by the development of oversea air transport and of scientific investigation in the sphere of air transport generally.

The estimates for air protection amount to 50 million reichsmarks. In last year's budget only 1·3 million reichsmarks were provided for this purpose, since the organisation of air protection was at that time only in its first stage. The newly-developed organisation is devoted to the protection of the civil population against air attack; its activity consists in the erection of splinter and gas-proof cellars, the training of squads for the rendering harmless of poisonous gases, the development of the fire extinguishing system, the training of special squads (for warnings, technical repairs and the rendering harmless of poisonous gases) and other similar measures.

The German budget estimates mentioned above have been published in the press and their reasons fully commented on. The German Government therefore has no reason to withhold from His Majesty's Government the grounds for the increase of the figures in comparison with the previous year. Nevertheless, in order that no doubt may arise in regard to the character of the above communication, the German Government would observe that it has only been able to decide on making this communication with a view to supplying friendly information to His Majesty's Government for the special reasons set out in the Embassy's note of the 7th April.

I avail, &c.,

NEURATH

*Sir E. Phipps (Berlin) to Sir J. Simon (Received April 16)*

No. 420 [C 2353/2134/18]

BERLIN, April 11, 1934

Sir,

I have the honour, with reference to my telegram No. 81 Saving<sup>1</sup> of the 9th April, to transmit to you herewith copies of two despatches in which the Naval Attaché to this Embassy records conversations on the subject of the German naval building programme and the naval estimates for the financial year 1934-35.

2. In my despatches No. 1217<sup>2</sup> of the 5th December, 1933, and No. 1168<sup>3</sup> of the 22nd November, 1933, I reported the assurances given to me by the Chancellor and the Minister of Defence, to the effect that Germany had no intention of building a navy against Great Britain. A similar assurance was given by the head of the Naval Directorate, as reported in my despatch No. 1199<sup>4</sup> of the 1st December, 1933. You will note that on the present occasion the Chief of Staff once more emphasises the purely defensive character of German naval plans.

I have, &c.,

ERIC PHIPPS

<sup>1</sup> No. 382.

<sup>2</sup> No. 99.

<sup>3</sup> No. 67.

<sup>4</sup> Not printed. This despatch enclosed the memorandum by Admiral Raeder quoted in Annex II to No. 363.

ENCLOSURE I IN No. 389

*Captain Muirhead-Gould to Sir E. Phipps*

No. 1/34.

BERLIN, April 9, 1934

Sir,

I have the honour to report that I had an interview this morning with Kapitän-zur-See Densch, Chief of Staff to the head of the German Admiralty. Admiral Raeder, head of the Admiralty, was, I understood, not in town.

2. I opened the conversation by referring to Mr. Bywater's article in the 'Daily Telegraph' of the 4th April, and expressing regret that such a misleading article should appear in a reputable English paper. Captain Densch replied by saying that such an article was in itself so absurd and so stupid that it would carry no weight among thinking people, and that it had merely caused a good deal of rather bitter amusement in German naval circles. He did, however, regret the tendency of some English newspapers to publish articles deliberately calculated to foster suspicion and distrust of Germany in England and abroad.

3. In a previous interview, Admiral Raeder had assured me that Germany had not the slightest intention of building up a navy directed against England, or, for that matter, against France or anyone else in the world.

But Germany was entitled to security in the Baltic, even France had admitted that, and Germany viewed the situation in the Eastern Baltic with grave misgivings. For some time past Germany had had a Naval Attaché in Moscow, and he had recently visited Leningrad. His reports had caused the Marineleitung considerable disquiet. The Russian navy was far from being obsolete and useless. Great improvements had been made, and he was convinced that before very long Russia would be a very serious potential enemy. Germany needed a fleet in order to protect her long coast line against any possible Russian threats. She wanted only to build up a navy strong enough to protect herself, and had no intention of doing anything spectacular.

4. This gave me a very good opening for asking how the Marineleitung proposed to spend the additional sums included in the naval estimates.

Captain Densch replied that he was delighted to have the opportunity of explaining this to me.

In the first place, the navy had for some years been consistently starved of money because of the stringent need for economy. The time had come (as, indeed, it had in England) when certain essential work had to be carried out. Its postponement over a period of years had, in fact, caused a grave accumulation of really urgent work.

A large portion of the vote would be expended in carrying out this urgent work—in repairs, upkeep, maintenance, and alteration of existing craft.

Then there was the work already foreshadowed in the original 1931–36 building programme, to which a few additions had been made. The total amount of new construction that would be put in hand this year was as follows:—

<i>Ship</i>	<i>To be built at—</i>
Cruiser 'F' ( <i>Leipzig</i> class)	Kiel.
Four reserve destroyers	Deutsche Werke, Kiel.
Eight minesweepers	Six at Germania Yard, Kiel, and two at Blohm and Voss.
Two fleet tenders	One at Kiel; one at Hamburg.

(NOTE.—Of the above, Cruiser 'F', two of the minesweepers and the two fleet tenders, are additional to the building programme. The remaining six minesweepers have been advanced from 1935 to 1934, and the four reserve destroyers are in accordance with the programme.)

5. I then asked Captain Densch if the Marineleitung were not going on with the fourth ship of the *Deutschland* class of 10,000-ton armoured ships (*Ersatz Elsass* (D)). He replied, laughing, that he wished he knew. The matter was still being closely discussed, and he very much hoped that authority would be given for *Ersatz Elsass* (D) to be started. It was also under consideration whether the fifth ship of this class (E) should also be started this year. He did not himself know the answer. A decision would be reached before the 1st July.

I drew a bow at a venture, and suggested that the *Deutschland's* machinery was a failure and that they were trying to decide whether to admit it, and to

go back to steam propulsion. Captain Densch said, very earnestly, that I had hit on a half-truth. *Deutschland* was not a failure; they were very pleased with her, and expected even better results from *Admiral Scheer* and *Ersatz Braunschweig*. But since *Deutschland*'s engines were designed, very great improvements had been made in high pressure steam machinery, and there was a very strong pro-steam school in the German navy, and even the experts at the *Marineleitung* were divided among themselves. With so small a navy, it was imperative that advantage should be taken of every step of progress, and Admiral Raeder was therefore unwilling to commit himself to one school or the other until he was absolutely confident that he was in a position to choose correctly.

Experts from the Engineering and Construction Departments, from private firms, and the officers with experience of the *Deutschland* had all been consulted, and the results were under very careful consideration, and a decision would be reached shortly.

I have, &c.,  
G. C. MUIRHEAD-GOULD,  
Captain, R.N., *Naval Attaché*

ENCLOSURE 2 IN No. 389

*Captain Muirhead-Gould to Sir E. Phipps*

No. 2/34

BERLIN, *April 10, 1934*

Sir,

I have the honour to report that at the conclusion of that part of my interview with Captain Densch, Chief of Staff to the head of the German Admiralty, reported in my despatch No. 1/34, dated the 9th April, 1934, the conversation became more general, and I was able to ask casually if the *Marineleitung* were so satisfied with the *Deutschland* class of 10,000-ton armoured ships that they would adopt this type of ship in their navy in the future. Captain Densch replied that, although they were quite satisfied with the *Deutschland*, the class itself was admittedly a compromise, and, as such, could never be wholly satisfactory. They would certainly never voluntarily adopt such a type as standard. If they had a free hand, in the case, for example, of the complete breakdown of the Disarmament Conference and failure of the 1936 [? 1935] Naval Conference, resulting in Germany being freed from the limitations of Versailles, they would probably decide to build battleships of 20-25,000 tons. Absolutely no decision had been made, nor had any plans for such ships been drawn up; but, so far as he could say, the type of battleship best suited for Germany's needs in the Baltic would be a ship of about 25,000 tons, carrying eight or nine 30-cm. guns.

2. I suggested that Germany would also rebuild her submarine navy, and Captain Densch agreed. He said: 'Yes! Of course we should have to have submarines so long as the other navies had them. After all, you have admitted that they are a defensive weapon for a small navy.' In further

conversation he said that he thought it would take three years to build up an adequate submarine service, as, although there were still a good many officers with submarine experience serving in the navy, there were no young officers and no men. Without my asking, he assured me that no personnel had been trained in submarines in Russia.

3. At the conclusion of the interview, Captain Densch begged me to keep this part of our conversation secret, as he had no authority to discuss it with me. Actually, most of what he had told me was his own opinion, though he knew it was shared by most of the senior officers in the German navy.

I have, &c.,  
G. C. MUIRHEAD-GOULD,  
Captain, R.N., *Naval Attaché*

No. 390

*United Kingdom Delegation (Geneva) to Foreign Office (Received April 12)*  
*No. 32 [W 3479/1/98]*

GENEVA, *April 11, 1934*

The United Kingdom delegate to the League of Nations presents his compliments, and has the honour to transmit copy of a record of a conversation between Mr. Eden and Mr. Henderson, on the 10th April, respecting disarmament.

ENCLOSURE IN No. 390

*Record of Interview between Mr. Eden and Mr. Henderson at Geneva,*  
*April 10, 1934*

GENEVA, *April 10, 1934*

Mr. Eden called on Mr. Henderson this morning. M. Aghnides and Mr. Strang were present.

Mr. Eden said that he had noticed from the communiqué issued after Mr. Henderson's interview with M. Barthou in Paris<sup>1</sup> that it was proposed to call a meeting of the General Commission for the 23rd May. He did not wish to oppose the calling of the General Commission, although a few days later would have suited His Majesty's Government better, if a meeting were called; but he was curious to know why it was that the French had wished for the General Commission to be convoked at all.

Mr. Henderson said that what the French anticipated—and what, indeed, would be in accordance with the procedure already laid down—was that the General Commission should proceed to examine article by article the clean text of the United Kingdom Draft Convention.

<sup>1</sup> This communiqué, issued after a conversation between Mr. Henderson and M. Barthou on April 7, stated that M. Barthou had assured Mr. Henderson that should a proposal be put before the Bureau for a meeting of the General Commission on May 23 the French delegation would support it.

Mr. Eden said that he had been led to wonder by recent articles in the French press whether the French would not wish the General Commission to modify the basis upon which the Conference was at present working. Was it not possible that, instead of a convention based upon the principle of the reduction of armaments, they might wish to substitute a convention based upon the idea of limitation?

M. Aghnides said that another possibility was that the French would wish the General Commission to pronounce itself one way or the other upon the issue of German rearmament, about which a great deal had been said in the course of the recent diplomatic exchanges.

Mr. Henderson observed that nothing that M. Barthou had said to him gave any warrant for either of these suggestions. The date had been chosen partly to suit M. Barthou's convenience; he was proposing to visit Warsaw and other capitals, and wished to be able to attend the General Commission in person.

Mr. Eden said that what was of chief interest to His Majesty's Government was what was to happen between now and the proposed meeting of the General Commission? His Majesty's Government were, as Mr. Henderson knew, awaiting a further reply from the French Government to the questions which they had put to them. They wished to bring the French to the point, as well as to prevent any further possible changes of position on the part of the Germans, and if nothing were to be done at Geneva until the 23rd May there would be only too ample opportunity for delay on the part of the French or changes in the German position. It was desirable, therefore, that there should be left open the possibility for the Bureau to resume its responsibility for the progress of the work at some fairly early date.

Mr. Henderson said that, of course, he had not overlooked that work would have to be done before the meeting of the General Commission, but surely such work would devolve upon His Majesty's Government? His Majesty's Government had been the authors of the United Kingdom Draft Convention; they had been responsible for the suggestion for parallel and supplementary conversations last November; they had issued their memorandum of the 29th January; and Mr. Eden himself had made a tour of the capitals. No one but His Majesty's Government was sufficiently acquainted with what had passed to prepare the necessary texts, and he would suggest that His Majesty's Government should undertake the work.

Mr. Eden said that this was not at all the course which His Majesty's Government had anticipated. They could not admit that the Bureau should divest itself of its responsibility for producing this text, if such a text was to be produced. It might, if necessary, be possible, however, for a sub-committee of the Bureau to be appointed at some future date for this purpose, on which His Majesty's Government might be represented, possibly in the chairmanship. However, there was no need to enter further into this question at present.



Mr. Henderson observed that if such a committee were appointed the only people who could usefully serve on it would be a representative of the United Kingdom and probably M. Massigli and Signor Soragna.

Mr. Eden returned to the question of a possible meeting of the Bureau at an early date. He thought it possible that the promised French reply might be received in time for a meeting of the Bureau to be usefully called somewhere about the end of the month, say, the 30th April, which was nearly three weeks hence.

Mr. Henderson said that, if that was so, the Bureau would have about a fortnight in which to do its work, so that the results could be circulated to Governments about a week in advance of the meeting of the General Commission on the 23rd May.

Mr. Eden added that, of course, it would be wise to leave the President discretion to postpone the proposed meeting of the Bureau should he find it desirable to do so.

Mr. Henderson said that, in that event, he would wish discretion to be invested in himself alone. He did not wish on this occasion to be bound to consult his officers. If his officers had not been associated with him on a former occasion, the Bureau would not be meeting today. Mr. Henderson said that he did not himself see any objection to Mr. Eden's proposal. It would, however, be necessary to consult the French and the Italians, and he assumed that Mr. Eden would do this.

Mr. Eden assented.

Mr. Henderson said that there would be two ways of bringing the matter before the Bureau. Either he himself could suggest the desirability of a further meeting of the Bureau about the end of April, which Mr. Eden could support; or he could, at the end of his speech, give Mr. Eden an opening to make the proposal himself.

Mr. Eden thought that the second method was preferable, and it was agreed that matters should be arranged in this way.

Mr. Henderson, speaking of his visit to M. Barthou in Paris, said that the latter had made a very good impression on him. M. Barthou had, he believed, learnt a great deal in the last few weeks and now, he thought, meant business. Mr. Henderson thought that the latest French communication to His Majesty's Government had merits of style rather than of substance, and was somewhat derisive on the subject of the influence of the French Academy on the style of diplomatic papers. M. Barthou, he understood, had written it with his own hand.

No. 391

*Sir J. Simon to Lord Tyrrell (Paris)*

*No. 75 Telegraphic: by telephone [C 2214/20/18]*

FOREIGN OFFICE, *April 12, 1934, 8.0 p.m.*

Your telegram No. 72.<sup>1</sup>

You may communicate to French Government German explanations in Berlin telegram No. 81 Saving<sup>2</sup> of April 9 and my telegram to Berlin No. 18 Saving<sup>3</sup> of April 10, if you consider that such action would serve any useful purpose. Both these telegrams were sent to you by bag of April 10.

His Majesty's Government are awaiting German Government's written reply to Sir E. Phipps<sup>4</sup> before expressing any opinion.

<sup>1</sup> No. 372.

<sup>2</sup> No. 382.

<sup>3</sup> No. 383.

<sup>4</sup> See Enclosure in No. 388.

No. 392

*Sir J. Simon to Sir E. Drummond (Rome)*

*No. 105 Telegraphic [C 2214/20/18]*

FOREIGN OFFICE, *April 12, 1934, 10.0 p.m.*

His Majesty's Government are seriously concerned by the heavy increases in the German navy, army and Air Ministry estimates. The army increase is very heavy, and that for the Air Ministry represents an increase of 250 per cent. on the 1933 figure—something like £10 million at present rates of exchange.

His Majesty's Government have addressed an official enquiry in writing to the German Government asking for detailed information as to the reasons for these increases at the present time.<sup>1</sup> A written reply has been promised. Meanwhile certain informal explanations have been received from the German Embassy in London.<sup>2</sup> Army increase is stated to be necessary in view of preparations for transforming German army into a short-service militia as contemplated in disarmament negotiations. Naval increase is said to be occasioned by necessity for renewing antiquated shipping. Air Ministry increase is stated to be due partly to replacement of single-motor commercial aeroplanes by machines with two or three motors, development of long distance flights especially during the winter, and the extension of night flying, transmaritime aviation and scientific research; remainder of the Air Ministry's estimate is expenditure for protection against air attacks, including construction of splinter and gas-proof basements, instruction in poison gas defence measures, the furtherance of the fire extinguishing system, etc.

You should enquire views of Italian Government with regard to the position revealed by these German estimates. Has the Italian Government received from Germany any similar explanation or made any comment?

Repeated to Paris and Berlin.

<sup>1</sup> See No. 375, note 2.

<sup>2</sup> See No. 383.

No. 393

*Sir E. Drummond (Rome) to Sir J. Simon (Received April 16)*

*No. 12 Saving: Telegraphic [C 2367/20/18]*

ROME, April 14, 1934

Your telegram No. 105.<sup>1</sup>

Signor Suvich informs me that the Italian Government have not made any enquiries of the German Government on the subject of the increases in the navy, army and Air Ministry estimates. The Italian Government were aware of our *démarche* and wished to await its results. They were not, however, surprised at these increases. They had consistently held that unless an international convention was concluded comparatively soon by which German rearmament would be limited, Germany would assuredly increase her arms. Signor Suvich, speaking personally, said that he thought that it might well be that Germany was acting openly in order to show that she intended to maintain her contention that, if the other Powers did not disarm as Germany considered they were bound to do by the Treaty of Versailles, Germany would in this respect be freed from the obligations of that Treaty. Further, such action increased the German Government's prestige at home since it gave proof that Germany was ultimately prepared to act. The truth was that Germany believed that she could take risks since the other Powers, being engaged in negotiations, would limit themselves to written or verbal remonstrances. He repeated that it seemed to him that all that was happening emphasised the necessity of early agreement for a limitation of armaments.

<sup>1</sup> No. 392.

No. 394

*Mr. Campbell (Paris) to Sir J. Simon (Received April 17, 8.50 p.m.)*

*No. 75 Telegraphic: by telephone [W 3630/1/98]*

PARIS, April 17, 1934

Minister for Foreign Affairs sent for me this evening and handed me expected reply of his Government. I regret to say that it amounts to a decision that in the present circumstances France would not be justified in proceeding with . . .<sup>1</sup> for convention legalizing rearmament of Germany.

It refers particularly to the recent increase of military credits which is taken to denote Germany's intention to rearm without waiting for legalization and to the hopelessness of seeking adequate system of security while Germany remains outside the League.

2. Text will reach you tomorrow morning by bag.<sup>2</sup>

3. M. Barthou said that he made this communication with the greatest regret. With the exception of 1914 it was the gravest decision in which he

<sup>1</sup> The text is here uncertain. A later text read: 'with negotiations for'.

<sup>2</sup> See No. 395.

had been involved during forty years of public service. He hinted that although he had done his best he had been unable to prevail upon his colleagues and the decision was, in the end, taken unanimously. He reminded me that the Government contained six ex-Prime Ministers and ranged in political complexion from Extreme Right of M. Marin to that of M. Marquet the neo-Socialist. It was the voice of France which was speaking.

4. In view of the gravity of this communication and of the finality of its character it was obviously useless to engage in any argument. I contented myself with remarking that I assumed all the consequences of the decision, certain and problematical, had been carefully weighed. M. Barthou replied that was very much the case.

5. To my enquiry regarding his intention in the matter of publication M. Barthou replied he would respect your wishes.

May I suggest the sooner it takes place the better. The contents of the note are probably already broadly known to the press and I shall be surprised if they are not freely discussed tomorrow morning. There would be every advantage in the public both here and at home being made aware of the full text at once.

**No. 395**

*Mr. Campbell (Paris) to Sir J. Simon (Received April 18)*

*No. 682 [W 3631/1/98]*

PARIS, April 17, 1934

His Majesty's representative at Paris presents his compliments to the Secretary of State for Foreign Affairs, and has the honour to transmit to him a note from the French Government, dated the 17th instant, respecting disarmament.

**ENCLOSURE IN No. 395**

*Note from the French Government<sup>1</sup>*

PARIS, le 17 avril, 1934

Par une note verbale du 28 mars, complétée par la communication du principal Secrétaire d'État aux Affaires Étrangères du 10 avril, le Gouvernement britannique a demandé au Gouvernement de la République de lui faire connaître s'il était prêt à accepter comme base d'une Convention de Désarmement le mémorandum britannique du 29 janvier dernier, tel qu'il a été modifié conformément aux propositions allemandes, dont M. Eden a donné connaissance, le 1<sup>er</sup> mars, au Gouvernement français.

Le Gouvernement britannique a formulé cette question dans l'hypothèse où un accord paraîtrait rendre possibles des garanties d'exécution de la convention. Il désire, d'autre part, connaître les vues du Gouvernement français sur la nature de ces garanties.

<sup>1</sup> This note is printed in Cmd. 4559 of 1934 and in the French official publication, *Négociations relatives à la réduction et à la limitation des armements*, Document No. 24.

Or, le jour même où l'Ambassadeur d'Angleterre s'acquittait de cette démarche, le 'Moniteur officiel du Reich' publiait à Berlin le budget adopté par le Gouvernement allemand, dès le 22 mars, pour l'année financière 1933-1934 [*sic*]. L'étude de ce budget permettait de relever sans contestation possible pour les Ministères de l'Armée, de la Marine et de l'Air une augmentation de dépenses de 352 [*sic*] millions de marks.

Le Gouvernement britannique n'a pas été moins ému que le Gouvernement français par l'importance de cet accroissement de dépenses. Il en a souligné la gravité par la démarche que son Ambassadeur à Berlin a faite auprès du Ministre des Affaires Étrangères du Reich. Les explications qu'il a reçues sont moins une justification qu'une affirmation.

En réalité, et sans attendre les résultats des négociations qui s'échangeaient, le Gouvernement allemand a voulu imposer sa résolution de poursuivre son réarmement, sous toutes les formes, dans des limites dont il prétend être le seul juge, et au mépris des dispositions du traité qui, en l'absence de toute autre convention, continuent à déterminer le statut de ses armements. Il entend augmenter immédiatement, dans de fortes proportions, non seulement la puissance de son armée, mais encore celle de sa marine et de son aviation. A ce dernier point de vue, il est d'autant moins loisible aux voisins de l'Allemagne de négliger la menace suspendue sur eux que de nombreux aérodromes ont été récemment organisés dans la zone démilitarisée, toujours en violation du traité. Parallèlement, le Gouvernement allemand se soucie moins de supprimer, ou de rendre à un but civil, les organisations paramilitaires que d'en perfectionner l'usage, adapté à la guerre. Il n'est que de lire, pour en avoir la preuve, d'autres budgets que ceux de la défense nationale.

Quelque explication que l'on tente d'en donner après coup, ces faits d'une gravité si exceptionnelle appellent une observation et une conclusion communes.

Ils prouvent que le Gouvernement du Reich a, de propos délibéré ou non, rendu impossibles des négociations dont son initiative a ruiné la base.

Cette constatation dicte au Gouvernement de la République son devoir et sa réponse. Avant même de rechercher si un accord peut se réaliser sur un système de garanties d'exécution assez efficace pour permettre la signature d'une convention qui légaliserait l'important réarmement de l'Allemagne, la France doit placer au premier plan de ses préoccupations les conditions de sa sécurité propre, dont elle ne sépare pas du reste celle des autres Puissances intéressées.

Le retour de l'Allemagne à la Société des Nations, qu'elle a si brusquement quittée, aurait pu fournir l'occasion et les moyens de dissiper, au moins en partie, ces préoccupations. Dans sa note du 17 mars, le Gouvernement de la République constatait son accord avec le Gouvernement britannique sur la nécessité de faire de cette rentrée préalable de l'Allemagne dans la communauté des États une condition essentielle de la signature d'une Convention de Désarmement. Il s'est, depuis, rencontré de nombreux Gouvernements qui, ayant le même souci, ont affirmé la même opinion. Cette

présence de l'Allemagne dans l'Assemblée de Genève ne serait pas moins indispensable pour réaliser un système satisfaisant de garanties d'exécution. Or, sur ce point capital, M. Eden n'a pu rapporter de Berlin aucune solution favorable et le silence gardé au cours des dernières communications ne permet pas de meilleures espérances.

Le Gouvernement de la République ne saurait, pour sa part, renoncer, en principe, à la condition essentielle et nécessaire qu'il avait formulée. Il peut moins encore assumer la responsabilité d'une renonciation aussi dangereuse à l'heure même où le réarmement allemand s'affirme, se prépare et se développe sans tenir aucun compte des négociations engagées conformément aux vœux mêmes de l'Allemagne.

L'expérience de la dernière guerre, dont la France a plus que tout autre pays supporté les horreurs, lui fait un devoir de se montrer prudente. Sa volonté de paix ne doit pas se confondre avec l'abdication de sa défense. Elle sait gré à l'amitié du Gouvernement britannique d'avoir voulu rechercher avec elle un système efficace pour entourer de garanties l'exécution d'une Convention de Désarmement. Elle regrette qu'une initiative étrangère ait brusquement rendu vaines des négociations poursuivies par les deux pays avec une bonne volonté et une bonne foi égales.

Il appartiendra à la Conférence du Désarmement de reprendre son œuvre, qui ne doit pas être abandonnée, au point où elle l'avait laissée quand elle a invité les Gouvernements à procéder, en dehors d'elle, à des échanges de vues qui n'ont pas abouti. La France est restée fidèle au cours de toutes les négociations, et elle veut rester fidèle, soit aux principes dont s'est toujours inspirée la Commission Générale, soit aux statuts mêmes de la Société des Nations, qui est la sauvegarde de la paix du monde. Le Gouvernement français ne doute pas qu'il ne conserve dans la réunion prochaine la collaboration toujours si précieuse du Gouvernement britannique pour fortifier cette paix par les garanties que la sécurité générale exige.

L. B.

No. 396

*Sir E. Phipps (Berlin) to Sir J. Simon (Received April 20)*

*No. 434 [C 2499/488/18]*

BERLIN, April 17, 1934

Sir,

I have the honour, with reference to Mr. Newton's despatch No. 939<sup>1</sup> of the 27th September and my despatch No. 320<sup>2</sup> of the 21st March, to transmit to you, herewith, extracts of notes made, after recent visits to labour camps near Berlin, by the Military Attaché to this Embassy, on the subject of the military aspects of the Labour Service in Germany today.

2. The 'Jugendertüchtigung', to which reference is made in Colonel

<sup>1</sup> See Volume V of this Series, Appendix, document (x).

<sup>2</sup> Not printed.

Thorne's memorandum enclosed in Mr. Newton's despatch, has now, I learn, ceased to exist as a separate movement. In its place the Labour Service authorities have organised a department known as the 'Amt für Leibeserziehung', under the direction of Herr Hans Süren, who is now responsible for supervising and controlling the games and gymnastics which form part of the Labour Service training.

I have, &c.,  
ERIC PHIPPS

ENCLOSURE IN No. 396

*Extracts of Notes made by the Military Attaché to Berlin Embassy, after Visits to Labour Camps near Berlin, on the Military Aspects of the Labour Service in Germany*

*April 12, 1934*

As a year has elapsed since the formation of the Labour Service Department of the Labour Ministry, I asked to be allowed to visit some labour camps so that I could see what progress had been made and to what extent modifications had been found necessary in the scheme which had been drawn up under the direction of Dr. Helmut Stellrecht. His scheme had been based on the experiences of the former Stahlhelm and S.A. voluntary camps for unemployed men, and was described by me in my memorandum of the 26th September last year addressed to the Chargé d'Affaires. This report has been written as a sequel to the Berlin despatch No. 320 of the 21st March, which described the information previously imparted by Colonel Müller-Brandenburg.

2. On the 5th April Colonel Müller-Brandenburg, of the Propaganda Section of the Labour Service, took the assistant Military Attaché, two other Englishmen and myself to visit two camps some 25 miles north of Berlin. Our visit had not been specially laid on and was not expected by the camp authorities; I could not help overhearing Colonel Müller explaining to one commandant that he was taking us round to demonstrate the present un-military character of the Labour Service generally.

3. From what I have seen for some months of the parades of the Labour Service Leaders' School at Potsdam, of odd parties at work in the neighbourhood of Berlin and further afield, I am of the opinion that the military side of the training has been dropped and more attention is being concentrated on the social, including, naturally, discipline and obedience, and the economic sides. I understand that Herr Stellrecht disliked this tendency, particularly the replacement of the ex-military leaders with war experience by younger men from the camps, and left the Ministry in consequence. It is rather significant that this ardent apostle of military training for the youth of Germany has now been taken over by Baldur von Schirach to assist him in organising the Hitler Jugend. Whatever was the motive behind this change, there is no doubt that his departure from the Labour Service synchronised with the initiation of a less military atmosphere in that service.

4. One hears very varying accounts of the amount of actual manual labour

which is done by inmates of the many camps in Germany; at some they are reputed to find it hard to kill time, at others the authorities have had to introduce an hour's compulsory rest ('Bettruhe') after the midday meal to get the youths into a fit state to play the organised games and listen to the political instruction. It would probably depend on the energy and personality of the camp commandant and to a lesser extent on the nature of the work. The average time-table would seem to be as follows:—

- 5.30 a.m.: Réveillé; quarter of an hour's free gymnastics; cleaning up camp.
- 7 a.m. to 1 p.m.: Manual labour.
- 2 p.m.: Dinner.
- 3 p.m. to 4 p.m.: Rest.
- 4 p.m.: Organised games.
- 6 p.m.: Political instruction.
- 7 p.m.: Supper and free time.
- 10 p.m.: Lights out.

As this time-table is in force at the instructional and experimental camp it is likely to become standard throughout Germany; during winter months minor amendments are obviously necessary, but the principle remains unaltered.

5. Practically no alterations have been found necessary in the organisation described last year. It has, however, been found necessary to increase considerably the planning and engineering staffs which are responsible for deciding on the initiation of new schemes. Thirty-six per cent. of the effort of the service is engaged in the amelioration of land for agriculture, eighteen per cent. on the improvement of roads, the remainder on a variety of smaller jobs including the creation of sports grounds all over Germany. There is equally no doubt that in certain areas work has been done for purely defensive purposes. In the urban districts the tasks, as a rule, are more widely spread than they are in rural districts, consequently they have attempted to solve the problems of convenience and economy by taking over derelict buildings, lying as far as possible in the centre of a task and adapting them to permanent accommodation, while in rural districts, where tasks are more concentrated, a hutted type of camp has been evolved, which is placed in the centre of the task and moved when the latter is completed.

6. Velten, the first camp we visited, belonged to the first category. It was occupied by Abteilung 95/1 (that is No. 1 of Gruppe 95), and consisted of a derelict factory restored to make accommodation for a unit of 216 leaders and men. The latter were engaged in carrying out a long programme of work on meadow drainage, afforestation and work on railway embankments. On an average the youths took about fifty minutes to and from their work. The accommodation was simple and excellent; rooms were light, clean, airy and provided with central heating.

7. The other camp we visited was of a completely different type, consisting of wooden huts, built above the springy peat on the banks of the Rhin (Kurmark) and immediately in the centre of the work in hand, drainage and



reclamation of swampland. In both cases the drainage work was a continuation of schemes initiated by Frederick the Great and allowed to drop in subsequent years. This camp in the Rhinluch is known as the Instructional and Experimental School for Labour Service Leaders. Practical courses are held there, lasting at least two months, for future commandants of 'Abteilungen'. Two platoons are composed almost entirely of these leaders, while the third is the depot platoon and responsible for carrying out the purely administrative services and sometimes demonstrations. All experiments with new types of huts, tools, paints, utensils, &c., are tried out at this camp, and their recommendations become the sealed pattern for the whole Labour Service. The school is placed immediately under the headquarters of the Labour Service, though administered by the local Gau (Kurmark).

8. *Leaders.* The Abteilung leaders are at present drawn almost entirely from the ranks of the better company commanders with war experience, who have retired from the army. They are expected to live a very simple life and to exercise control through their personal influence. The more junior leaders, those in command of platoons and troops, will all shortly be found from amongst those who have been through the service themselves and later through one of the leader schools.

9. *The Youths.* All the inmates, with the exception of some 15,000 students, are there voluntarily, generally for six months, though many stay on for the whole year. Should anyone receive an offer of employment he may leave at once. Everyone who has passed through the camp receives a Labour Service pass, describing his behaviour and qualities. The withholding of this pass represents the lever which can be used to maintain discipline which cannot be enforced by summary punishments. The influx of students has apparently had an excellent effect on the *moral* in the camps, which has risen considerably since their arrival.

10. *Conclusion.* The whole party came away convinced that the military side of the training has been allowed to drop, partly because there is not much time available, partly because it may be politic not to emphasise that side at present; certainly such drill as we saw it was not very smart. But from the point of view of national defence, the R. H. are at present obtaining recruits who are already physically and mentally fit to begin technical training almost immediately after joining. If they are out of practice with musketry, as it will have been some time since they did their practice with the Hitler Jugend, it should not take very long to make them extremely efficient soldiers. Apart from that, the employers who have taken on men from these camps find that they have engaged willing and cheerful workers and come back to the labour camps for more.

**No. 397**

*Sir E. Phipps (Berlin) to Sir J. Simon (Received April 18, 12.50 p.m.)*

*No. 104 Telegraphic: by telephone [W 3654/1/98]*

BERLIN, April 18, 1934

Paris telegram No. 75.<sup>1</sup>

Unfortunate though the French reply may be it would be still more unfortunate if violent anti-French outburst occurs in our press tomorrow. That would only encourage Germany to push forward her rearmament.

The German man in the street is distinctly nervous regarding German military estimates and fears French action; he knows that if the roles were reversed Germany would act with energy.

Repeated to Rome.

<sup>1</sup> No. 394.

**No. 398**

*Mr. Campbell (Paris) to Sir J. Simon (Received April 19)*

*No. 112 Saving: Telegraphic [W 3670/1/98]*

PARIS, April 18, 1934

On re-reading my telegram No. 75<sup>1</sup> I see that I did not do justice to M. Barthou's expressions of his Government's regret that their answer had to take this form and of their fervent hope that notwithstanding the disappointment which they knew it must cause the two Governments would nevertheless continue to work in close harmony.

<sup>1</sup> No. 394.

**No. 399**

*Sir E. Phipps (Berlin) to Sir J. Simon (Received April 19)*

*No. 89 Saving: Telegraphic [C 2464/29/18]*

BERLIN, April 18, 1934

I learn from an excellent source that conflicts in Church and Army are causing Hitler much anxiety.

The persistent opposition of the Evangelical Church is being seriously reinforced by that of the Catholic priests. Göring and the party extremists at Munich have been urging Hitler to quell the Catholic revolt by drastic measures, but the Führer has declined lest this might jeopardise the Saar plebiscite. He complains that he is being asked to fight simultaneously the Evangelicals, the International Jewish Organisation and the Vatican, with its world-wide support.

The Reichswehr position is also difficult. Röhm is insistent that certain

S.A. leaders should be made Generals as soon as expansion begins in order to guarantee the loyalty of the new Army. To this the Reichswehr and President von Hindenburg remain vigorously opposed.

The President looks to Herr von Papen for help in the case of the Army, while Hitler equally looks to him to bring the Vatican to reason. Herr von Papen is very depressed, and thinks that General von Reichenau, rather than he, should arrange the Army dispute. The General's position, however, is very uncomfortable as he is blamed by army and Nazis alike.

The President, who had planned to go to Neudeck, has postponed his departure in view of the Reichswehr situation. One of his contemporaries, General von Einem, died recently, and after the funeral the President received visits from many old friends who complained bitterly of the new régime. He admitted that he had miscalculated when he appointed Hitler. He realised that he had received bad advice from all concerned during recent years.

Colonel von Hindenburg, who played such an important role a year ago, has, I am told, nothing to say, and realises that the Presidency will disappear as an institution when his father dies.

Another source of conflict is the 'compulsory' Labour Service. Hierl, the head of that body, complains that, owing to Röhm's opposition, the idea of compulsory service has been dropped, and the organisation generally is being neglected. Hitler is now in one of his undecided moods, and refuses to commit himself whether in regard to Army, Church or Labour Service.

#### No. 400

*Record of Conversation with Mr. Henderson in the Secretary of State's Room at the House of Commons on April 19, 1934, at 4.15 p.m.*

[W 4207/1/98]

Mr. Henderson called on Sir John Simon today. Mr. Eden took part in the conversation. Mr Strang was present.

Mr. Henderson said that he had asked to see Sir John Simon in order to discuss the situation created by the latest French reply of the 17th April. This reply was a disappointing document. The long interview which he had had with M. Barthou on his way out to Geneva earlier in the month had led him to expect quite a different answer.

Sir John Simon confirmed that the reply was not what he himself had expected. After the receipt of the interim French reply of the 6th April, Lord Tyrrell had begged His Majesty's Government to exercise patience and not to be discouraged. Sir George Clerk had also recently told him that M. Barthou had been much impressed with the arguments of the Belgian Government during his recent visit to Brussels. There had therefore been some ground for hoping that the French reply might have been different.

Mr. Henderson said he supposed M. Barthou had been overridden. As to

his own movements, he would normally have proposed to leave for Geneva on the 27th April in readiness for the meeting of the Bureau on the 30th April. He would, however, ask a question. The instructions of the General Commission to the Bureau were clear, namely, that the Bureau should prepare a clean text for the second reading of the United Kingdom Draft Convention. Was it possible to carry out that instruction?

Sir John Simon said that he and Mr. Eden doubted whether, in face of the French reply, the meeting of the Bureau on the 30th April could lead to anything useful. His Majesty's Government had asked for a meeting of the Bureau because they had had some hope that the coming French reply would make such a meeting desirable; he thought they had been right to ask for it. But the French reply of the 17th April had changed the situation.

Mr. Henderson remarked that, if the Bureau did not meet on the 30th April, the impression would be created that the Disarmament Conference was finished and that the General Conference would only be called to wind it up. The work of the General Commission and of the Bureau had been suspended in order to enable diplomatic exchanges to take place. The French Government now said that these exchanges were at an end, and that the Conference must pick up its work at the point at which it had left it. This would presumably mean that the Bureau should meet and carry out the instructions of the General Commission.

Mr. Eden said that it would be disagreeable if the Bureau met and had to reach the conclusion that there was no possibility of producing a text for the second reading. But this surely would be what would happen. His Majesty's Government and the Italian Government and the Governments of the small Powers had stated that they would agree to some measure of German rearmament. The French Government had said that they would not.

Sir John Simon wondered whether Mr. Henderson might not think it well to communicate with the French Government himself, and ask them what they would now propose should be done.

Mr. Henderson said it was difficult to see what the French wanted the General Commission to do. They might, for example, wish to reverse the previous decision of the General Commission to take the United Kingdom Draft Convention as the basis for a disarmament convention, and to obtain from the General Commission a condemnation of German rearmament. On the other hand, they might perhaps wish to put the issue of German rearmament to the General Commission, so that, if overruled, they could say to their public opinion that they had done their best. In that event they would hope to confine German rearmament within the lowest possible limits.

Mr. Eden said that, in either event, it was to the General Commission that the issue would be submitted. The Bureau was of no use for this purpose.

Mr. Henderson said that he had no power to adjourn the forthcoming meeting of the Bureau for more than a day or two, and this discretion could only be used if the state of the negotiations demanded it. The Bureau would

have to meet and face up to the situation. If, when it met, the French cared to put their case and state the principles upon which they thought the General Commission should be guided, and to ask that the Bureau should be adjourned and the General Commission called, well and good.

Sir John Simon thought it would be to everybody's advantage if, at the Bureau, the French would say what they now proposed. It was desirable to avoid arriving for the meeting of the General Commission on the 23rd May with no idea of what was likely to happen, and to be met by an oration from M. Barthou.

Mr. Eden wondered whether it would be advisable to give M. Barthou and M. Benes two or three days, say, until about the 3rd May, so that they might attend the Bureau in person. M. Barthou would be back from his journey by the end of April.

Mr. Henderson said that M. Barthou had told him that, after his return, he would require some days to attend to current business in Paris, and that, in view of this, had suggested the 23rd May as the date for the General Commission. It might, however, be as well to ask the French Ambassador to find out what was the earliest date on which M. Barthou could come to the Bureau. If he could get M. Barthou to promise to come for the 7th May, he would feel justified in postponing the meeting of the Bureau until that date.

Mr. Eden repeated that he did not see how the Bureau could prepare a clean text until the General Commission had taken a decision and given further directions.

Mr. Henderson, however, thought that the Bureau might well get on with the drafting of those chapters which were not affected by the present deadlock.

Mr. Henderson added that, if he had had any idea of what the French reply would be like, he would have taken a different line at the meeting of the Bureau on the 10th April. The proper thing then would have been to summon the General Commission at once.

It was arranged that Mr. Henderson and Mr. Eden should together see the French Ambassador or M. Cambon and ask them to find out on what date M. Barthou could come to the Bureau and if a date somewhere about the 7th May would suit him.<sup>1</sup>

<sup>1</sup> No record of a meeting between Mr. Henderson and Mr. Eden and the French Ambassador or M. Cambon has been traced in the Foreign Office archives, but on April 23 Mr. Henderson telephoned to Mr. Eden that the French did not want a meeting of the Bureau as had been proposed but would prefer to postpone further discussions until the meeting of the General Commission on about May 23.

No. 401

*Sir E. Drummond (Rome) to Sir J. Simon (Received April 20, 9.15 p.m.)*

*No. 115 Telegraphic [W 3765/1/98]*

ROME, April 20, 1934, 9.5 p.m.

I found Signor Suvich who on invitation of French Government is to see M. Doumergue on his way to London,<sup>1</sup> M. Barthou being absent from Paris, much disturbed over present armaments situation. He considers that if French policy of continuing discussions at Geneva is followed two possibilities result.

The first a convention for limitation or reduction of armaments between France, Great Britain, Italy and certain other States. The victorious Powers would thus be bound by treaty as regards their own armaments while Germany would be free. This would be an entire reversal of existing situation and was to his mind unthinkable. Second an adjournment of Conference *sine die*. If this happened an armament race would be inevitable and within a few years war would ensue because countries could not and would not submit to consequential impoverishment for any lengthy period. He said he felt France must be brought to realize she could not continue to impose negative and destructive policy on Europe and that he intended to explain this point of view courteously but frankly to M. Doumergue.

Repeated to Paris and Berlin.

<sup>1</sup> Signor Suvich was paying a return visit to London following the official visit to Rome of the Prime Minister and Foreign Secretary. On instructions from Sir J. Simon, the British Ambassador in Rome had suggested to Baron Aloisi on January 1, 1934, that Signor Mussolini might propose a visit from the Italian side to London following the official visit to Rome of the Prime Minister and Foreign Secretary. Baron Aloisi explained that it was impossible for Signor Mussolini himself to pay such visits but he felt sure that he would propose a visit by Signor Suvich.

No. 402

*Record of a Conversation with Signor Suvich in the Secretary of State's Room at the Foreign Office on Tuesday, April 24, 1934*

*[W 3948/1/98]*

Signor Suvich and Signor Grandi called on the Secretary of State today. Mr. Eden, Sir Robert Vansittart and Lord Stanhope took part in the conversation. Mr. Strang was also present.

Sir John Simon explained to Signor Suvich the history of the two White Papers which had recently been laid before Parliament containing documents on the question of disarmament.<sup>1</sup> He drew his special attention to the statement of the German Government's views on p. 18 of Cmd. 4559. He said that the German Government, without disputing the accuracy of

<sup>1</sup> Cmd. 4512 and 4559.

Mr. Eden's record of what had passed at Berlin, had put forward a rather different statement of their demands, which went somewhat beyond what they had said to Mr. Eden. It had therefore been thought better to have in writing an expression of the German view at the present time. That was why the statement in the White Paper was dated the 16th April and did not purport to be a record of Mr. Eden's conversations in Berlin. Sir John Simon then read the German statement, indicating the points on which it went beyond what had been said to Mr. Eden in Berlin. He said that the statement still left it doubtful whether or not the Germans would want bombing aeroplanes at the end of two years if the air enquiry failed to reach a successful issue, but he assumed that in the absence of an agreement Germany would want some bombers at the end of five years. He also drew attention to Herr Hitler's suggestion that reductions in the armaments of other Powers should be postponed until the end of the fifth year of the convention, and said that the latest French memorandum still seemed to suggest that what was proposed was the *immediate* disarmament of France. This was not so. The United Kingdom memorandum of the 29th January was on this point to be read in connexion with Herr Hitler's proposals, and he thought that he had made this clear to the French Government in his letter to the French Ambassador of the 10th April.

Sir John Simon then asked if Signor Suvich could tell him what he had gathered as to the French attitude on his way through Paris.

Signor Suvich said that when he left Rome the French reply to His Majesty's Government of the 17th April had just reached him. This reply seemed to the Italian Government to make it difficult to pursue the conversations which were going on outside Geneva. On the other hand, it was equally difficult to see what was to be done if, as the French wished, they all returned to Geneva. The Germans would certainly not go to Geneva until they were sure of achieving equality of rights. If agreement were reached at Geneva in the absence of Germany on the lines of either reduction or limitation of armaments, the Geneva Powers would be binding their own hands, while Germany would remain free. This would reverse the present position, for Germany was at present bound by the peace treaties while the other Powers were free. It was possible that at Geneva the French might wish the various Governments to take up a position as regards German rearmament, but he did not see the use of this. In short, there did not seem to be any chance of an issue either way.

It was with this impression that he had arrived in Paris, where he had seen M. Doumergue. He had explained to M. Doumergue his doubts and preoccupations as regards the French note, which, he thought, had put a stop to negotiations. M. Doumergue had said that France could not disarm at once. France had, however, at one time been disposed to accept an agreement on the basis of the various memoranda which had been published, namely, the Italian, British and German. But the recent publication of the German estimates had made a profound impression upon the Government and people of France, who were now convinced that Germany was deter-

mined to rearm rapidly. The step taken by His Majesty's Ambassador at Berlin had confirmed them in this view. In these circumstances, M. Doumergue had thought that it was dangerous to go on exchanging views while Germany was rearming. To this Signor Suvich had replied that he could quite understand this, but would ask what the future prospects were. It was true that Germany was bound by the peace treaties and was rearming in defiance of them, and that Article 213 of the Treaty of Versailles might be invoked. But did the French want to do this? M. Doumergue had said that they did not, and that they could not contemplate a preventive war. They had no desire to adopt violent methods. To this Signor Suvich had replied that if this method was rejected there was another method open, namely for each Power to resume its liberty of action and increase its own armaments. The result of this would be a race in armaments. M. Doumergue said that the French Government did not want this either. Signor Suvich said that in that event there was no other alternative but to go on with the negotiations outside Geneva, but the French note had put a stop to these. M. Doumergue had then seemed to indicate that it might be possible for the three Powers to reach an agreement in the absence of Germany and then at the last minute to present their agreement to Germany for acceptance. Signor Suvich had pointed out that the Germans would regard this as a new *Diktat*; furthermore, that if the Germans did not accept it the three Powers would have bound themselves while leaving Germany free. M. Doumergue's reply had been that Germany would find herself isolated and would probably abate her demands and do her best to reach an agreement. The Germans always yielded to firmness and a three-Power agreement would impress them. Signor Suvich had said that he did not see any chance of a solution on these lines. Finally, M. Doumergue had asked him when he went to London to see if he could find some new basis for agreement if the present basis was of no use. The French Government would be glad to collaborate. M. Doumergue had insisted that there was no division of opinion in the Council of Ministers, but that the last French note had been the result of a unanimous decision of the Council, which included six ex-Presidents of the Council.

Sir John Simon asked whether M. Doumergue had mentioned the question of security.

Signor Suvich replied that M. Doumergue had said that the question was a fundamental one and was at the basis of everything, and that he hoped that some favourable solution would be found and progress made. He did not enter into any details, but had reiterated that some new basis must be found.

Signor Suvich went on to say that, in his own view, the Italian proposals offered the only solution. The Italian Government did not think that the French would disarm. It was a pure illusion to think that Germany's arms could be maintained at the Versailles level or even at a very low level. It might be possible to achieve disarmament in a second convention, but certainly not in any convention which could be negotiated now. It would be something to be able to set some limit to German rearmament. The



Conference had started with bold ideas of general disarmament. The Conference was now faced with the danger of a race in armaments. It would be prudent to do what was now possible instead of breaking everything up.

Mr. Eden said that the problem of limitation was not so simple as Signor Suvich seemed to think. Control would be necessary to ensure that no Power increased its present armaments. Did Signor Suvich contemplate the necessity of taking stock of present reserves in order to see what each Government actually possessed? The French had always been opposed to this. The five years' truce would mean five years' inferiority for the United Kingdom.

Sir Robert Vansittart observed that this would also mean taking stock of present German armaments also.

Sir John Simon said that a standstill would have to mean that His Majesty's Government would be able to correct their own position, because their present level of armaments was lower than it would have been if they had not disarmed. The Italian plan, as he understood it, was that there would be no disarmament by France and Italy, but that France and Italy would not increase their armaments. In order to ensure that no such increase should take place, it would be necessary first to know what armaments the French now possessed and then to see from time to time that the French did not possess more. Would this not mean making a list of what armaments the French now have? How would this stocktaking be controlled?

Signor Suvich thought that this was a technical question which could perhaps be solved by controlling armament factories. The number of factories producing arms was not so great after all.

Mr. Eden said that it might be possible to provide that there should be no further construction, but this prohibition would be most difficult to supervise and would probably not be effective so far as Germany was concerned. In any case, was there any reason to believe that the French would accept German rearmament up to the level proposed by Herr Hitler?

Signor Suvich said that he thought it would be possible to find the necessary measures of control once an agreement was reached on the principle. Did His Majesty's Government think that it was possible to negotiate a convention in the absence of Germany?

Sir John Simon replied that it was not possible to reach an agreement in the absence of Germany, because Germany would need to be a party to such an agreement. What the French appeared to contemplate was not an agreement in the absence of Germany, but an attempt on the part of the other Powers to settle the terms which they would accept if Germany agreed.

Sir Robert Vansittart said that such a convention would, of course, be inoperative unless the Germans agreed, and he thought that it would be a waste of time to work on the detail of it at Geneva, since, as matters now stood, any convention acceptable to Germany was clearly unacceptable to France.

Sir John Simon recalled that in October last the French proposal to present a convention for Germany's signature had been favoured by some sections of British opinion. That view had never been confirmed by His Majesty's Government. He had pointed out in the House of Commons<sup>2</sup> that to adopt this method was to run the risk of disagreement among the Powers negotiating the convention, and that, even if an agreed text was reached, to ask Germany to sign on the dotted line would be a dangerous course. This had been the Italian view also. He was also in agreement with Signor Suvich on another point. He felt that the latest French reply had put an end to discussions outside Geneva. To speak frankly, the principal difficulty of His Majesty's Government was that they were not sure what the French note implied. Signor Suvich's account of his conversation with M. Doumergue was from this point of view illuminating. M. Doumergue still seemed to think that an agreement ought to be reached. He did not stress security or give any idea of what the French wanted in this field. The last sentence in the French reply was the only indication it contained of a proposal for the future. ('The French Government does not doubt that it will retain at the forthcoming session the co-operation of the British Government, which it always appreciates so highly, in the task of consolidating peace by the guarantees which general security demands.') Did this refer to guarantees within a disarmament agreement or to guarantees in the absence of a disarmament agreement? It rather seemed to say that at Geneva the fact of German rearmament and of the German estimates would stare the General Commission in the face, and that the French, therefore, hoped that, in view of these breaches of the peace treaty, they would receive some support under the head of guarantees.

Sir Robert Vansittart observed that the sentence was as vague as the words of M. Doumergue to Signor Suvich.

Signor Grandi thought that this would be a way of offering Germany a chance of another success. It would not be a wise course.

Signor Suvich said that the Italian Government were prepared to carry on discussions, but they were not prepared to make an agreement in the absence of Germany.

Sir John Simon said that he would analyse the position as follows. The question was whether any plan including disarmament of the heavily armed Powers was possible. Signor Mussolini had long ago said that it was not. The French now said (and their view met with a good deal of sympathy in England) that they could not disarm while the Germans rearmed. If it were conceded for the purpose of discussion that the French could not disarm, would the French Government face the fact that the Germans would in any case rearm? Would they be prepared to make any agreement authorising any rearmament of Germany? Did Signor Suvich know what the French attitude was on this point?

Signor Suvich said that he thought that the French Government had been

<sup>2</sup> See Parl. Deb., 5th ser., H. of C., vol. 283, cols. 429-30.

moving towards a solution on these lines, but their movement was a very slow process. The French Government, which was not a strong Government, had not had the courage in the face of public opinion to take the final plunge. At the last moment the German estimates had given them an opportunity to go back upon their previous inclination. It might, however, be that this retreat was only a phase and that there might be further developments in the future.

Signor Grandi recalled that before the receipt of the last French reply, His Majesty's Government had asked the French Government what kind of disarmament they were prepared to accept in exchange for security. The French Government now said that they could agree to no disarmament at all, and, at the end of their note, pointed to security. They did not, however, deny the possibility of accepting something in the matter of German rearmament. Did their note not mean that, if His Majesty's Government would give them security, they would give German rearmament in exchange?

Mr. Eden interjected that it was rather hard upon His Majesty's Government to be called upon to pay for something which they did not like.

Sir John Simon asked whether Signor Suvich would be seeing the French Ministers again on his way back.

Signor Suvich replied that he would not, as he was returning via Brussels.

Sir John Simon asked whether the Italian Government would send a fully authorised delegate to the General Commission on the 29th May.

Signor Suvich said that this question had not been discussed or decided.

Sir John Simon said that he hoped that the Italian delegation would come and play its full part. Like the Italian Government, His Majesty's Government were doubtful what it was that would be proposed. They shared the Italian views to a large extent. They agreed that for practical purposes German rearmament had to be faced and that some means must be found to bring the French along. This would be easier if they knew what was in the French mind. It might well be, as Signor Grandi had said, that their view was 'disarmament is impossible; rearmament is not impossible, but will have to be paid for'.

Mr. Eden asked of what nature the demand would be. Would it be by way of guarantees of execution or something more?

Signor Grandi said that he thought so-called guarantees of execution were merely a new expression of the old French idea. For 'aggressor' read 'transgressor'.

Sir John Simon said that he was not sure that he agreed with Signor Grandi on this point. A clear distinction should be drawn between guarantees of execution and security against an aggressor. He then developed the distinction at some length on the same lines as to the French Ambassador some weeks ago.<sup>3</sup>

<sup>3</sup> See No. 355.

Lord Stanhope said that he doubted whether the French would draw the same distinction. He felt that the idea at the back of their minds was that, though they were not prepared to disarm, they might agree to some rearmament, but only if the other Powers were to prepare to see that Germany did not overstep the limit. The only way to be sure of this might in the long run involve the invasion of Germany.

Sir Robert Vansittart said that this would be so only if violation degenerated into aggression, as the French had put it in one of their notes.<sup>4</sup> This would be the point at which they would want military action if economic action had not been effective.

Signor Suvich recalled that the French Ambassador in Rome had told him some time before that the French Government was seriously thinking that it might be better for them not to make a convention at all, but for each State to look to its own defence. The result of any convention, the French Ambassador had said, would be that the French would observe it and the Germans would not. In the latter event, the French would, of course, regain their liberty of action, but this would be a poor form of security.

Sir John Simon asked whether the Italian Government had considered the proposals in regard to guarantees of execution which the French Government had communicated to Mr. Henderson in December last.

Signor Suvich said that he did not remember these proposals.

Sir John Simon said that it should be borne in mind that it was not merely the French but also Mr. Henderson who might be expected to press for something or other when the General Commission met in May. Mr. Henderson did not consult His Majesty's Government in such matters, and might well spring something upon the General Commission himself of which His Majesty's Government had no knowledge. It must not be assumed that if the French had nothing concrete to propose or if their proposals were excessive, the proceedings of the General Commission would come to an end. Mr. Henderson might have quite other views.

Mr. Eden recalled that the Russians had wished at the last meeting of the Bureau to open a discussion on the question of defining the aggressor. They would be certain to raise this question in the General Commission at the end of May, and the French would probably support them.

Signor Suvich asked whether His Majesty's Government had any idea whatever as to what the French wanted in the matter of security. He understood that they had been discussing the question before they had despatched their last reply to His Majesty's Government. The Italian Government had only the very vaguest indication. The impression he had brought from Paris was that M. Doumergue thought that something might happen before the General Commission met. He had said that they must continue on some new basis. Signor Suvich had a clear impression that, at the back of his mind,

<sup>4</sup> See Enclosure in No. 355.

M. Doumergue had some fairly concrete idea. Was it perhaps that M. Doumergue had thought it might be possible (1) to reduce German rearmament, and (2) to increase security? In any case, M. Doumergue obviously wanted to leave the door open.

Sir John Simon recalled that M. Tardieu had already produced a security plan at Geneva.<sup>5</sup> M. Tardieu was now a member of the French Cabinet. Would earlier French plans now be revived? The answer to Signor Suvich's question was that His Majesty's Government had no information as to what the French wanted in the matter of security. They understood that before the reply was despatched, the French Government were considering whether or not to give His Majesty's Government their views on the subject. Since then the curtain had fallen. If any information on this point was received, he would let Signor Suvich know, and he hoped that Signor Suvich would do the same. It would be well if the two Governments could keep each other informed in the period before the meeting of the General Commission.

It was agreed that a further meeting should take place on the following day.<sup>6</sup>

<sup>5</sup> On February 5, 1932.

<sup>6</sup> The conversation on April 25 was entirely on the subject of Italo-Yugoslav relations.

#### No. 403

*Sir E. Phipps (Berlin) to Sir J. Simon (Received April 26)*

*No. 94 Saving: Telegraphic [C 2633/20/18]*

BERLIN, April 25, 1934

I hear on good authority that the Chancellor and his entourage are in a chastened mood in consequence of the French reply to His Majesty's Government. The restraint of the British press and the absence of any general abuse of France in Great Britain or the U.S.A. have had an excellent effect here. Moreover, it is felt in German Government circles that it was a mistake to have allowed large increases in the military and air estimates before the conclusion of any disarmament agreement, and whilst the conversations were still proceeding. The French had an opportunity and very naturally took it.

M. Barthou's Warsaw visit<sup>1</sup> also inspires misgivings. It is feared here that as a result of the firm line now adopted by France Poland will be less inclined to play a lone hand with Germany.

German hopes seem for one reason or another to turn again towards Signor Mussolini, who, it is thought, may produce some plan that France will find it difficult to turn down.

<sup>1</sup> See No. 380, note 4.

**No. 404**

*Sir E. Phipps (Berlin) to Sir J. Simon (Received May 1)*

*No. 475 [C 2725/29/18]*

BERLIN, April 25, 1934

Sir,

I have the honour to report that on the 20th April Herr Himmler, the leader of the S.S., was appointed chief of the Prussian Secret Police, in succession to Herr Diels, who has been made Governor of Cologne.

2. As a result of this change the control of the entire German political or secret police becomes united in one hand, as Herr Himmler had already been given command of the political police in all the other States. The particular significance of this appointment, apart from the natural desire to bring about a unification of the German political police, is the fact that General Göring is no longer in sole control of the Prussian Secret Police. Although Herr Himmler is nominally his subordinate as far as Prussia is concerned, it is clear that his position as one of the founders and leaders of National Socialism and a close ally of Captain Röhm will enable him, if necessary, to stand up to General Göring more successfully than his predecessor.

3. The position of the non-political police remains as before, and Herr Frick, the Minister of the Interior, entertains hopes of being given command of the future 'Reichspolizei', as soon as he is relieved of his responsibilities in regard to education.

I have, &c.,

ERIC PHIPPS

**No. 405**

*Sir E. Phipps (Berlin) to Sir J. Simon (Received May 1)*

*No. 477 [C 2726/29/18]*

BERLIN, April 25, 1934

Sir,

When I addressed to you my despatch No. 146<sup>1</sup> of the 7th February, Germany was still in the grip of winter and men were looking with anxious eyes for the approach of spring. The winter is now safely over, but it cannot be said that the fact has raised the spirits of the country. On the contrary, there is a perceptible feeling of lassitude and discouragement. The cyclist has breasted the long hill only to find a chain of further hills before him.

2. The outstanding feature of the economic situation since the beginning of the year has been the further shrinkage of foreign trade. For the first time since January 1930 imports have exceeded exports, by 22 million reichsmarks in January last and by 35 million reichsmarks in February. It is true that the March figures show some improvement in that there is a small export

<sup>1</sup> No. 258.

surplus due to a rise in exports of finished goods of 55 million reichsmarks, but this improvement is unlikely to be maintained except by means of devices such as scrips, &c., and it will not really relieve the situation. The fall in foreign trade has had two far-reaching effects; firstly, on the foreign exchange position, and, secondly, on the supply of raw materials required for the maintenance of industrial activity. The purchase abroad of certain raw materials and semi-manufactures has been temporarily forbidden, pending the setting up of control organisations. Judging by the regulations of the committee which is to control the buying of cotton, a long period of supervision is contemplated and a very careful distribution of such purchases as are permitted will be made. It is unnecessary to emphasise the vital importance of this question to German economy. Unless German exports can be increased, which hardly seems likely in view of the attitude of the rest of the world, or some other means can be devised for the financing of essential imports, the whole scheme of the provision of work, which is the bed-rock of the Government's economic policy, will become jeopardised.

3. Meanwhile, the newspapers continue to laud the furious activity of the Government, the issue of regulations, the formation of organisations and the launching of schemes. The most advertised event was the inauguration on the 21st March of this year's drive against unemployment. Herr Hitler's speech on this occasion was something of a disappointment, particularly after the propaganda which preceded it, for it contained nothing new and merely showed that public work schemes are to be continued on the lines of those initiated last year.

4. The official figures continue to record a rise in industrial occupation and a corresponding fall in unemployment, but since there is no proper analysis of the labour statistics, it is impossible to draw any useful conclusions. The most important published returns are as follows: Industrial employment rose from 44.4 per cent. of the capacity of hands employable in January to 46.5 per cent. in February, and the chambers of commerce report that the upward movement continued more strongly in March. The number of unemployed was, on the 1st April 1934, exactly half of what it had been a year ago, that is, 2.8 as against 5.6 million. It is officially anticipated that work will be found for a further 800,000 hands by the end of June, over half of whom are expected to be taken on by industry. The revival was strongest in the iron and steel industries, which were employed in February to 58.7 per cent. of their capacity, and it is stated that in March there was a further rise of 97,000 tons in ingot steel production. There are, however, already signs of over-production, for stocks with dealers and in the finishing industries are beginning to accumulate. The artificial silk and ready-made clothing industries are working well and shipbuilding has improved under the stimulus of a 20 per cent. Government subsidy for new construction. As far as impressions can be gathered outside the official propaganda, the Leipzig Fair and the Berlin Motor Show were not successes. This is hardly surprising, as the first is largely dependent on foreign customers, who, for well-known reasons, are not good buyers at present, and

the second was a scratch affair owing to a sudden whim of the Chancellor to have it many months earlier than had been originally arranged; thus neither the trade nor the public were ready. As regards retail trade, the Trade Research Department of the 'Reichskuratorium für Wirtschaftlichkeit' has just published figures regarding German retail trade in January and February of this year. These figures show that, if January and February 1934 together are compared with January and February together of last year, the total turnover of retail trade has increased by 9 per cent. The turnover in food-stuffs in the same period was 5 per cent. higher than last year. The trade of departmental stores continues to shrink and the turnover in January and February 1934 was 20 per cent. below that of the corresponding period in 1933. The great increase in employment should certainly show itself soon in larger purchases by the people, unless wages are even worse than one suspects. That this point is causing the Government some concern may be inferred from the introduction of a law during March specially designed for the improvement of purchasing power. The strictness with which the Government are keeping down prices also points in the same direction.

5. For the moment the efforts of the Government to decrease unemployment fill the centre of the economic stage. The headlong pace which Herr Hitler has elected to set is naturally causing many difficulties, and it is feared in some quarters that a setback in this field might so shake public confidence as to bring about a disastrous rise in unemployment, and even a serious political crisis.

6. The budget for 1934 in turn is seriously strained not only by the beginning of the maturity of the obligations undertaken for financing unemployment work programmes, but also by the addition, as a last straw, of 350 million reichsmarks for armament purposes. The budget has only been balanced by borrowing, by the exhaustion of reserves, and by the entire omission of 500 million reichsmarks provided in the Government scheme of last September for building grants, which will be spread between the years 1933 and 1934, and will have to be covered by additional borrowing outside the budget. This procedure must have been gall to the soul of the Finance Minister, who abolished the extraordinary budget in 1932.

7. Meanwhile, Dr. Schacht continues to fly the flag of financial orthodoxy by reaffirming his policy of maintaining the value of the mark (see, however, next paragraph but one) and by preventing any forcible reduction of interest rates such as would accord with the Nazi slogan, 'the breaking of the interest serfdom'. In spite, however, of Dr. Schacht's efforts to prevent the revival of internal finance from reflecting itself in an expansion of credit and in exchange difficulties, the Government have been seriously alarmed by the deterioration of the exchange situation, and have in turn alarmed the public by the restriction of the import of raw material, which they have undertaken as a remedy. Weak as is the situation of public finance, it is probably this restriction of imports which has done more to produce a state of tension, in which may lie the seed of political difficulties. The Radicals are afraid that the exchange difficulties may hamper the imports necessary for their



policy of expansion, while the more moderate elements are already obtaining a glimpse of the fallacies of autarchy, and the tempers of the two sides are naturally not improved as the result.

8. Dr. Schacht, who lunched with me last week, objects to the word 'autarchy', but affects to laud that policy. He declared that Germany could perfectly well pursue it to a far greater extent without any danger. The German citizen could, after all, use paper collars, and he himself would gladly have the suit he was wearing at my luncheon reboiled and rewoven instead of buying a new one. In fact, the standard of living could be considerably reduced. I enquired whether he really thought Germany would stand such heroic conditions in peace time, and he answered in a decided affirmative. It is always difficult to know how far Dr. Schacht is talking through his hat, whether it be made of felt or of the more Spartan cardboard, but he spoke quite seriously, perhaps with the forthcoming creditors' meeting in view.

9. Dr. Schacht also foreshadowed a considerable extension of the use of travellers' marks (now standing at over 20 to the £), thereby implying, without actually saying so, the gradual devaluation of the mark in fact, if not in theory.

10. The economic and financial difficulties of the country are naturally affecting the *moral* of the Nazi party. The left wing demands a stronger admixture of socialism; the Nationalist elements resent the intrusion of the new men. Each leader has his own panacea, and the differences amongst them are openly canvassed. There is an atmosphere of intrigue and counter-intrigue, in which the factions manœuvre for position in order to catch the ear of the Chancellor. In my telegram No. 89 Saving<sup>2</sup> I referred to the conflicts proceeding over the army and the Labour Service. Another wrangle has taken place over the appointment of Herr Himmler as head of the Prussian political police, despite the strong opposition of General Göring. As I reported in my despatch No. 475<sup>3</sup> of the 25th April, Herr Himmler has taken over the political police in almost all the other States, and his new appointment constitutes an encroachment on General Göring's preserve. In the economic and financial spheres there is constant friction between the Nazi doctrinaires, such as Dr. Ley on the one hand, and Dr. Schacht and Dr. Schmitt on the other. The work of so eminent a Nazi stalwart as Dr. Goebbels is being openly criticised in several quarters. The relations between Stabschef Röhm and General von Reichenau are notoriously bad. The difficulties caused by the Erbhofgesetz referred to in my despatch No. 443<sup>4</sup> of the 18th April have caused the stock of Herr Darré, the Minister of Agriculture, to fall still lower. Herr Hitler's personal prestige remains as high as ever, but the differences which are known to exist amongst his subordinate leaders must tend to shake public confidence.

11. Another question which is agitating public opinion is the attitude of the Government towards the Churches. No solution of the conflict with the Roman Catholic Church is yet in sight and the situation in the immediate

<sup>2</sup> No. 399.

<sup>3</sup> No. 404.

<sup>4</sup> Not printed.

future seems more likely to deteriorate than improve. In the case of the Evangelical Church strenuous efforts are being made to find solutions of the problems at issue, but with what success remains to be seen.

12. The fundamental issue with Rome is the education of the Roman Catholic youth of Germany. Under Article 31 of the Concordat, Catholic organisations and associations, including those 'which, in addition to religious, cultural and philanthropic aims, have other aims, including social and professional', were, without prejudicing their eventual inclusion in the union of the State, to enjoy protection. A list of those bodies was to be drawn up by the Government and the German Episcopate in agreement. It has been explained to a member of my staff by an official of the Ministry for Foreign Affairs that the Concordat was concluded at a time when the subsequent development of the Nazi State could not be foreseen in its full extent. All associations outside the party had now been dissolved, and it was an anomaly which could not be continued that Roman Catholic associations alone should be maintained in separate existence. The Concordat must, therefore, be altered, though how this could be achieved was a grave problem. From other sources I have heard that when the difficulties began the Papacy gave instructions to the Roman Catholic leaders in Germany to be very guarded in their actions at first. They should start by strengthening their hold on their followers in every possible way, and should prepare the ground carefully for whatever resistance might eventually be unavoidable. The period between Christmas and Easter was to be devoted to this preparation, so that if the situation did not improve more active opposition might be developed after Easter. If this report is true it gives added significance to certain Papal messages and addresses issued to German Catholic youth at Easter, and to the actions of the Roman Catholic leaders in Germany which were denounced by Dr. Rosenberg in the article reported in my despatch No. 422<sup>5</sup> of the 12th April. Another significant incident is the reported disagreement between Herr Wagner, the Bavarian Minister of the Interior, and Cardinal Faulhaber. It is understood that they met in order to try to reach an agreement regarding Catholic youth associations and especially their right to wear uniform. These negotiations led to no positive result, but Herr Wagner is alleged to have stated that the Cardinal had accepted his views on many points, whereas the Cardinal is said to have repudiated Herr Wagner's statement and to have addressed to the clergy in his diocese a letter on the subject which has found its way into the foreign press. In this letter the Cardinal refers to Article 31 of the Concordat, and states that, while he agreed to leave military exercises to the State, he declared that he would not forgo educational, dramatic, musical, athletic and other similar training, since a purely religious training for the young would educationally be incomplete. Herr Wagner is said to have accused the Cardinal of responsibility for the publication of this letter in the foreign press and to have threatened to take action in the matter.

13. In the Evangelical Church the youth organisations, as was reported at

<sup>5</sup> Not printed.

the time, have already been incorporated in the Hitler Youth. The questions at issue are, therefore, different, and centre chiefly round church reorganisation and the conflict which this may entail with dogma, e.g., in the matter of the Aryan clause. Another question in dispute is the right of Evangelical communities to select their own preachers and leaders. Luther fought for this right in the Reformation, but it is inconsistent with the principle of leadership which the Nazi State seeks to establish throughout Germany. The aggressive behaviour of the German Christians hitherto and the enunciation of pagan doctrines by prominent Nazi leaders have naturally intensified the fear that, despite disclaimers, reorganisation will, in fact, result in interference with fundamental rights and beliefs. The opposition is, however, somewhat divided. Three parties have lately been conspicuous. One is represented by Dr. Meiser, who definitely seeks conciliation and compromise. It has been rumoured that he aspires to replace the present Primate, Dr. Müller. A meeting which he called recently at Nuremberg to seek a solution was, however, a failure. The second opposition party is the Emergency League, headed by Dr. Niemöller and Dr. Jacobi. They also seek a settlement within the Church, but would be prepared to break away if they could not otherwise preserve rights which they regard as fundamental. The third opposition party is the Westphalian Synod, which is more extreme and is credited with the intention of founding a free Church. Meanwhile, the German Christians have shown some signs of becoming more moderate, perhaps because the more extreme of their members, such as the notorious Dr. Krause, whose pagan professions gave such offence some time ago, are reported to have left them and joined the German Faith Movement (see my despatch No. 450<sup>6</sup> of the 20th April). The German Christian Church in Saxony recently issued twenty-eight theses to be used as a basis for the achievement of general unity. Professor Seeberg, a well-known theologian of the Evangelical Church, has examined these theses and criticised them in a favourable sense. Another interesting development is the appointment of Herr Jäger as legal member of the Primate's Spiritual Ministry. This appointment is reported in greater detail in my despatch No. 459<sup>6</sup> of the 21st April. His function is to deal with questions of law, discipline and organisation, and it is anticipated that he will take vigorous action to overcome opposition and bring about unity. While the situation in the Evangelical Church is, therefore, still critical, it contains more hopeful elements than in the case of the Catholic Church.

14. In the field of foreign affairs the Government are considered by the public to have suffered recently two reverses. From the Austrian and German wireless, it is apparent to the simplest listener that Germany has sustained a severe setback in the matter of the 'Anschluss', and that in this respect Herr Hitler has fared even worse than his predecessor, Dr. Brüning. Secondly, in the matter of disarmament Herr Hitler, having done better than his predecessors during the preliminary negotiations, has now been rebuffed by the French. This brings into play certain aspects of German psychology

<sup>6</sup> Not printed.

which may be briefly summarised. As Germany, especially the new Germany, has adopted the 'Führerprinzip' in internal political affairs and suppressed all opposition, it appears to the man in the street that this principle might very easily be extended to the international sphere. Germany, if she had the power, might well claim the leadership in Europe. In accordance with the Nazi creed, therefore, France appears to many Germans to be justified in denying to Germany equality of rights just as Hitler, having gained power, denied the right of the Centre or any other political party to oppose the National Socialists. Large sections of the population are vaguely anxious about the future. They know that in the past Governments, which have talked confidently and noisily at home, have carefully concealed the truth about the course of events abroad. They wonder if the present Government is withholding information, whether France and Europe are preparing unpleasant surprises and whether for that matter Hitler's peaceful speeches deserve unlimited credence.

15. Speaking to a member of my staff, Dr. Diels, who has just been removed from the post of chief of the political or secret police, stated in confidence that, in his opinion, Hitler did not even now command an absolute majority in the country. There had been no real election for over a year, and he did not hesitate to admit that the recent election was a farce. Indeed, he added that his Department was still investigating and punishing the more flagrant cases of falsification of returns and intimidation. Speaking of the political situation generally, he said that the main difference was that the political parties were now inside the Nazi party, whereas hitherto they had been outside it. It was the activity of the Communists within the party, and particularly within the S.A., which had so far provided his Department with the bulk of their work and worry. The millions of unemployed did not fail to note the smart uniforms, expensive cars and swollen staffs of the new political pundits. Luckily, he added, the Germans were a docile community, and he doubted whether they would have revolted even after their terrible experiences during the recent war had not the military and civil authorities faded away and left the field clear in a moment of panic. The Allies had demanded the adoption of a parliamentary régime and Germany had acquiesced.

16. The revival of militarism with the approach of fine weather has revived the conflict between parents and children which lay dormant during the winter. Children belong to the Nazi 'Kinderschar' until the age of 8, while those between 8 and 14 belong to the 'Jungvolk'. Between 14 and 18 they belong to the Hitler Jugend, after which they join the S.A. or S.S. Girls join similar organisations, so that the youth of the country belongs to the State from the tenderest age. Children of all countries enjoy playing at soldiers, and German children need little encouragement to don uniforms and march behind drums in a country where this form of activity has always enjoyed popularity. Parents, however, are vaguely apprehensive lest, in spite of the Führer's declared devotion to peace, circumstances may prove too strong for him and their children have to undergo the same experiences

as they endured nearly twenty years ago. Youth, however, follows the Führer and forms the mainstay of the movement as heretofore.

17. Perhaps the most prevalent feeling in the country at large is one of bewilderment. The reversion from the feeble parliamentary régime of recent years to a system more authoritative than that to which Prussia was accustomed under her Kings is not resented. Restrictions which elsewhere would be considered irksome, and intolerable in Anglo-Saxon countries, or in France, are not felt here to the same degree because Prussian rule for hundreds of years was based on the authoritative principle. It is the peculiar mixture of dogmas and principles under the present régime which gives rise to distrust and uncertainty. The mass parades, the compulsory membership of unions and associations, the glorification of labour and the cultivation of mass consciousness savours of Moscow, while the revival of militarism and the abolition of Parliament and the freedom of the press savours of Potsdam. For the time being the scales are so deftly adjusted that equilibrium may still be said to exist. Is the régime reactionary? The workman is unable to say definitely any more than the employer. The Government have shown surprising skill in dodging every social issue in which they would be forced to show their hand. In public speeches Ministers talk slightly of employers and capitalists, and even General Göring pays his modicum of lip-service to Socialism, but in practice the employer, like the worker, cannot be said to be materially worse off than he was under Dr. Brüning or Herr von Papen. Indeed, it is a tribute to Dr. Brüning's sense of social justice that the edifice which he took over from his predecessors and renovated has been accepted by Hitler with slight alterations, in spite of the sound and fury with which it was assailed before the Nazis took office.

18. So, in the second year of his advent to power, we find Hitler, quite apart from the vast material difficulties that surround him, engaged at home in acute spiritual conflict with various sections and sects and creeds, whilst abroad, after some flashy initial successes, he has met with almost general failure. Far be it from me to deny the advantages of making a few fairly powerful enemies: nothing more stimulates our true friends—allied phagocytes who rush to our assistance on the attack of hostile microbes—but it must be admitted that in his choice of enemies Hitler has been for once too Catholic, having practically picked the world for a hostile team. Now, rather late, he awakens to the fact that the thunderous applause of his German millions cannot compensate him for the almost universal suspicion that he has aroused abroad. Hence doubtless the meek reception by the Germans of our searching enquiries regarding their military, naval and air force estimates. Hence the repeated German protestations of friendship for England that have been made to me of late.

19. 'Clouds over Hitler' this chapter must be headed. Whether they burst or roll away only a later chapter will tell. Never before was true prophecy more essential and never more hopeless to attempt.

I have, &c.,  
ERIC PHIPPS

*Sir E. Phipps (Berlin) to Sir J. Simon (Received May 2)**No. 478 [W 4183/1/98]*

BERLIN, April 25, 1934

Sir,

I have the honour to report that Herr Joachim von Ribbentrop has, according to an official statement issued on the 24th April, been appointed 'Special Commissioner for Disarmament Questions' by President von Hindenburg. The announcement is accompanied in some cases by a short account of Herr von Ribbentrop which includes the following passage: 'The new Commissioner for Disarmament Questions has on more than one occasion been entrusted with special tasks in the field of foreign affairs by the Führer during the summer of last year. These took him to London, Paris and elsewhere. No change or new direction in German disarmament policy is involved in the appointment of Herr von Ribbentrop. It merely means that a channel, other than the customary diplomatic channels, is being used, a course which other countries have often taken in similar circumstances. One will, in this connexion, remember the role which Mr. Eden has recently played on behalf of the English Government. The President's appointment constitutes the official basis for Ribbentrop's future mission.'

2. In my telegram No. 68<sup>1</sup> of the 13th February I reported Baron Neurath's views of Herr von Ribbentrop's activities, and in a letter to Mr. Sargent of the 7th March<sup>2</sup> I gave a brief account of the new commissioner and mentioned the likelihood of his appointment to some official post at an early date. It seems that, in spite of the reluctance of official circles, the Chancellor has now decided to make this appointment not only because he has a high opinion of Herr von Ribbentrop's capacity as a negotiator (he negotiated between Herr von Papen and Herr Hitler very successfully in January 1933), but because he is anxious to show the outer world that Germany is sincerely aiming at agreement on the disarmament problem, despite the recent setback. The Chancellor's entourage do not expect that Herr von Ribbentrop will be given very wide terms of reference for his negotiations, nor do they expect him to set out immediately with an olive branch in his hand. Officials in the Ministry for Foreign Affairs are naturally a little piqued by the new appointment, but they admit that Herr von Ribbentrop recently gauged the French attitude more accurately than other observers (see paragraph 3 of my letter to Mr. Sargent). They would, it seems, have preferred the appointment of Herr von Rheinbaben, whose long experience at the League has given him an intimate knowledge of the disarmament question, and whose appointment would have been popular in League circles.

3. It is not only at the Ministry for Foreign Affairs that Herr von Ribbentrop's advancement is resented. The true blue Nazis object to the allocation

<sup>1</sup> The reference should be to Berlin telegram No. 65 (No. 272). Berlin telegram No. 68 dealt with arrangements for Mr. Eden's visit.

<sup>2</sup> Not printed.

of plums to outsiders, whilst the Nationalists regard him as a renegade. The newspapers do not of course dare to criticise, but quote organs of the British press to show that the appointment has been received with astonishment in England.

I have, &c.,  
ERIC PHIPPS

No. 407

*Sir J. Simon to Mr. Campbell (Paris)*

No. 640 [W 3976/1/98]

FOREIGN OFFICE, April 26, 1934

Sir,

M. Corbin called this morning to ask me whether there was anything he could communicate to his Government as to our views on the French note of the 17th April commenting on the British memorandum on disarmament of the 29th January. I told the Ambassador that I had no formal communication from His Majesty's Government to make on the subject at the present moment, but that I should be glad to assist him by indicating some personal impressions which the note had made on my mind. I recognised, of course, that the French note was primarily designed as an answer to the questions which had been formulated in my letter to M. Corbin on the 10th April, and that in substance the answer was that the French Government were not prepared to define guarantees of execution which would lead them to accept the British memorandum with necessary German modifications. It seemed to me that the French note, therefore, gave a negative answer to the question whether there were any considerations under which France would join in an agreement which conceded a measure of rearmament to Germany accompanied by international supervision. But though this negative proposition was clear, what was the affirmative proposition which France wished to advance as the alternative? The choice was between a defined, limited and supervised rearmament of Germany, by agreement, and no agreement at all, and though it was a hard choice to make, in which we felt every sympathy with and, indeed, fully shared, the anxieties of the French, we felt that the alternative must be firmly faced. It would be of no practical value to say that, if there was no agreement, Germany would remain bound by the peace treaties, for the French note did not suggest how German rearmament would be prevented in the absence of a convention.

2. The Ambassador in his turn made it clear that he was expressing a personal view, and went on to say that his difficulty was that each concession to Germany was only a jumping-off ground for further claims. The evacuation of the Rhineland was an instance in point. He could not see how a concession admitting Germany's right to rearm up to a certain point was going, in the end, to limit Germany's claims in this respect. The next stage

would surely be that Germany would find reasons for claiming that equality of rights necessitated further concessions to her. I said that His Majesty's Government were very much alive to this aspect of the matter, and I was not for a moment suggesting that the agreement that might now be made would necessarily prove to be a final settlement, but the question still remained as to what was the alternative.

3. I referred the Ambassador to the last sentence in the French note, which indicates that at the approaching meeting of the General Commission at Geneva now fixed for Tuesday, the 29th May, France will have in mind propositions for 'consolidating peace by the guarantees which general security demands'. Could the Ambassador tell me, or ascertain for me, what was intended to be indicated by this phrase? It would, I thought, be unfortunate if we arrived at Geneva on the 29th May without any further knowledge on this subject and, indeed, without any ideas as to how France proposed that we should proceed. His Majesty's Government had made a series of efforts which had not produced agreement, and it was natural for us to want to know now what others thought could be done.

4. In the course of the discussion I told the Ambassador that it seemed to me that two propositions were now reasonably clear. The first was that the rejection of the British memorandum would do nothing towards preventing the rearmament of Germany, and that the prospect of this rearmament was so serious that we were bound without delay to face the alternative above set out. The second was that I did not myself believe that it would be possible, as had been suggested in some quarters, for us to proceed at Geneva on the lines of drafting a convention in the absence of Germany and then presenting it for Germany to sign. There had always in my mind been grave objections to this procedure, but the objections were now more serious than ever before. These objections were threefold. In the first place, there was always a risk that such a procedure would lead to disagreement at Geneva, as the result of which we should present to Germany the spectacle which we were most anxious to avoid. In the second place, even if agreement on a draft convention could be reached, Germany would certainly regard the presentation of such a document to her as a piece of dictation and she would reject it out of hand. But there was now a third and final reason, which was the following: The diplomatic exchanges of the last few months and Mr. Eden's visits had shown that, in fact, agreement would not be reached—Italy, for example, firmly held the view that German rearmament must be recognised, whereas France opposed the proposition. We should, therefore, in my judgment, be following a most dangerous course if we were to delude ourselves into thinking that this was the procedure which Geneva could wisely adopt. The Ambassador, without challenging what I had said, observed that in spite of all differences, agreement had sometimes been obtained when it seemed difficult to reach, e.g., last October at Geneva. I replied that there were great differences between then and now. Then we had the Italians with us and we had the active co-operation of the United States. Moreover, Germany was in touch with us and had not withdrawn



from Geneva. Now the position had entirely changed, and I could not encourage any attempt to return to October.

5. Before leaving I asked the Ambassador if he could tell me who would be the French representative next month at Geneva. He replied without hesitation that M. Barthou would be there. I told him I had been urging upon Signor Suvich at our interview yesterday that Italy should also be represented by her most authoritative spokesman.

I am, &c.,  
JOHN SIMON

**No. 408**

*Sir E. Phipps (Berlin) to Sir J. Simon (Received May 1)*

*No. 482 [C 2730/1/18]*

BERLIN, April 26, 1934

Sir,

The recent restrictions which the German Government have placed upon the purchase abroad of certain raw materials and the impending transfer conversations<sup>1</sup> which may bring in their train a discussion of Germany's foreign commercial relations make it seem advisable to review the possible effect of Germany's foreign exchange situation on her trade with other countries.

2. From conversations I and members of my staff have had with Dr. Schacht and Dr. Schmitt, it is clear that if the transfer conference should fail and Germany should find herself in difficulties, the German Government are envisaging a considerable degree of autarchy, unless they are given facilities for importing raw materials either by means of financial accommodation or by the substantially increased admission of German goods to other countries. While Dr. Schacht's remarks on this subject were rather fantastic, Dr. Schmitt was more definite. He stated that if the need arose those industries which could produce raw materials or their substitutes (such as oil, artificial silk, artificial wool, &c.) would be expanded as far as possible and an import and export monopoly created. It was hoped in this way to avoid the worst hardships of the lack of imported raw materials and to keep German economy adequately employed. Dr. Schmitt added that the cost of such methods did not cause him anxiety, because he considered that an expensive home-produced commodity was a greater advantage than a cheap one which had to be imported, and thereby created transfer obligations.

3. Dr. Schmitt disclaimed any authority to speak for the Cabinet, but he said that he was sure that the Chancellor would, if he were driven into a corner, act with the same decision that he had displayed in connexion with disarmament and the League of Nations. Herr Hitler, so Dr. Schmitt stated, hated to be in the position of a suppliant, and if he could not have raw materials on his own terms he would sooner not have them at all. Any

<sup>1</sup> The conference between the Reichsbank and representatives of foreign creditors.

country which took Germany's goods and services could sell its commodities to Germany, and, presumably, if it were a creditor, would also have its old debts paid if there were sufficient surplus in Germany's favour. If a country decided not to take Germany's goods, Germany would not buy from that country, nor pay the debts which she owed it. Dr. Schmitt, in so many words, compared the position which would then arise, as far as foreign trade is concerned, to that of the U.S.S.R., and said that it surely could not be in the interest of other countries that two of the largest States in Europe should have foreign trade monopolies.

4. All this may be primitive and superficial, but there can be no doubt of Dr. Schmitt's earnestness and sincerity, nor do I think that there is any reason to believe that his views are not shared by the Cabinet. For the immediate future, therefore, the question to be considered is not so much the correctness of the views expressed as the ability of the German Government to put them into practice.

5. It must be remembered that Germany's present rulers are moved by feelings and reasons which are entirely alien to British habits of thought, and that the Chancellor would have no hesitation in taking action which would fill an orthodox banker or economist with horror. Herr Hitler is more concerned with a display of strength by showing his indifference to the demands and wishes of other nations than with adhering to sound finance or economics, and he relies on his supreme power in Germany to carry him through. It is certain that the German people would submit for a time at least to the discomforts and hardships which a policy such as that outlined above would entail. The man in the street is already talking with half-humorous resignation of an impending return to the paper suit.

6. An additional reason why a policy of defiant autarchy might be introduced in Germany is that there is nobody who is likely to expose its fallacies and dangers to the Chancellor. Dr. Schmitt, whose duty such enlightenment is, is in favour of the policy. Dr. Schacht probably considers the wider economic aspects and implications no business of his and he certainly would not object on the grounds that the action of the Government made the payment of foreign indebtedness more difficult. Clear-thinking advisers and economists, like Professor Bonn and Dr. Pinner, no longer live in Germany, and the Aryan professors who have sufficient knowledge to expose the errors of the proposed course know better than to give unwelcome advice.

7. Assuming that, in the event of a disagreement over transfer and the application of clearing systems to Germany, she adopted the attitude outlined by Dr. Schmitt, the amount of United Kingdom and British Empire trade which might be affected should be borne in mind. For this purpose the relevant import figures are attached.<sup>2</sup>

8. A conversation which the Commercial Counsellor has had with some German industrialists indicates that the latter hope that Germany's importance as a purchaser of raw materials, particularly cotton, will influence

<sup>2</sup> Not printed. The total value of imports to Germany in 1933 from the British Commonwealth and Empire was shown as 778,953,000 reichsmarks.

the United States of America towards helping Germany as far as the import of such commodities is concerned.

9. A copy of this despatch has been sent to the Department of Overseas Trade.

I have, &c.,  
ERIC PHIPPS

No. 409

*Minute by Mr. Eden*

[W 4095/1/98]

FOREIGN OFFICE, *April 27, 1934*

Mr. Henderson asked to see me this morning, since he had received a message from the French Government about the meeting of the Bureau which he wished to discuss with me.

The French Government agreed to the General Commission meeting on the 29th May and also saw no objection to the meeting of the Bureau fixed for the 30th April not taking place on that day. On the other hand, the French Government thought it important that, in order to enable the General Commission to enter upon its discussions with the greatest possible clarity, the Bureau should submit to the General Commission a precise statement of the present position, putting forward a résumé of the opinions developed in the documents recently exchanged between Governments through the diplomatic channels. The French Government thought that, in order to do this, the Bureau would have to meet two or three days before the General Commission. Mr. Henderson asked me what I thought of this proposal. I said that I was afraid that it was not clear to me what the French Government really intended. They had asked for a meeting of the General Commission, we had all agreed to such a meeting, but now they were asking for the Bureau, apparently for a similar purpose to that for which they had previously asked for the General Commission. Mr. Henderson rejoined that he, too, failed to see what useful purpose could be served by this French proposal. He had himself given the Bureau a full statement of the position at its last meeting, which I had supplemented. The only new document since then was the French note itself. That note had been very different in character from the type of answer his conversation with M. Barthou had led him to expect from the latter. He, Mr. Henderson, had been quite willing to stand aside while the diplomatic conversations were going on, but now he thought it was time he should resume his position, more particularly since he would have to make some statement to the General Commission. He was thinking, therefore, of asking the French Government to receive him as soon as convenient to them, probably next week. He had the more reason for doing this since, the French Government having by their note brought the diplomatic exchanges to an end, it was

proper that, as President, he should ask them what they had in mind as the next step. Moreover, the nature of M. Barthou's assurances to him, and the contrasting character of the French note, gave him a further excuse for approaching the French Government. He proposed to mention this matter in his interview with the Secretary of State next Monday,<sup>1</sup> but since he would like the view of His Majesty's Government then, he mentioned the matter to me now.

Mr. Henderson, in conclusion, and speaking, as he said, quite informally, reminded me that he was the *rapporteur* for guarantees of execution. It was possible that the French Government might say to him that as long ago as last December they had told him, as President of the Conference, what were the guarantees of execution which the French Government thought should form part of the convention. He might be asked whether he had yet ascertained the views of the British Government upon these guarantees. If so, though he fully appreciated the significance of the questions put by the Secretary of State to the French Government, yet it would help him if he could have any indication of our attitude, if only for his own confidential information.

Mr. Henderson mentioned that he had heard a rumour from what he believed to be a reliable source, to the effect that the German Government might be contemplating some further statement. Had I any information of this character? I replied that I had not.

A. E.

<sup>1</sup> April 30. See No. 414.

#### No. 410

*Sir J. Simon to Mr. Newton (Berlin)*

No. 470 [W 4112/1/98]

FOREIGN OFFICE, April 27, 1934

Sir,

In the course of our conversation about Soviet-German relations today Herr von Hoesch alluded to the present state of the disarmament discussions. He reminded me of his prophecy that if we approached France with suggestions as to guarantees for execution, the French would find means of evading the point—and that was what had happened. France had used as an excuse the publication of the German budgetary provisions for the army, navy and air force. I said that on this subject it was to be observed that the German announcement seemed to proceed on the unwarranted assumption that she was at liberty to transform her army and provide it with new armament, whether there was a disarmament agreement or not. This naturally aroused apprehensions in some quarters. The Ambassador replied that there was no pleasing the French. As soon as it appeared that Germany wanted something, the French objected to it. Germany had been very unwilling to

contemplate the substitution of a short-term force for her professional army, and as long as this was so France pressed for the substitution. In June of last year, Mr. Norman Davis had appealed to him personally to persuade his Government to agree to this because it would be the means of producing agreement. Now Germany had agreed to it, and immediately the French turned round and objected to the very thing for which they had previously been pressing, merely because Germany now agreed to do it. I said that this might be so, but it did not get rid of the concern which the German announcement had undoubtedly caused. We did not pursue the matter further.

I am, &c.,  
JOHN SIMON

**No. 411**

*Sir W. Selby (Vienna) to Sir J. Simon (Received May 8)*

*No. 86 [R 2643/37/3]*

VIENNA, April 27, 1934

Sir,

After three days of hard wrangling the Government is believed to have settled, for the time being, the trouble which arose, as reported in my telegram No. 78<sup>1</sup> of the 25th instant, out of the Chancellor's desire to appoint Prince Starhemberg as Vice-Chancellor and in some way or other to side-track Major Fey. Minor crises of this nature, which are unfortunately endemic in a country in which political intrigue and self-seeking all too often override patriotism or the interests of the State, are luckily not as serious as would be the case elsewhere. At the same time there can be little doubt that, as a result of the leading part he played in the events of the 12th February and the subsequent suppression of Socialism in Austria, Major Fey's ambitions were aroused, and both Dr. Dollfuss and Prince Starhemberg saw themselves menaced by the rising popularity in the provinces of the 'Iron' Vice-Chancellor. Through an adjutant in control of the Police Press Section, Major Fey was able to exploit the situation to his own advantage; thereby combining against him Prince Starhemberg and the Chancellor. The former went to Rome with the double object of securing, if possible, a further Italian subsidy for the Heimwehr, whose increased numbers were proving too expensive for the Austrian finances, and impressing upon both the Quirinal and the Vatican his prior claims to those of Major Fey as leader of the militant section of Austrian Fascism. In the former object he is believed to have been unsuccessful, in the latter the Vatican and Signor Suvich are, according to Italian sources in Vienna, at one in believing that he is more tractable from the Italian standpoint than the 'Brandenburger with Freemason tendencies', as Major Fey's enemies now call him.

<sup>1</sup> Not printed.

2. On his return from Italy the rumour went round that he would become Vice-Chancellor in place of Major Fey; being appointed head of the combined Heimwehr, Österreichische Sturmscharen and other 'governmental private armies', whilst surrendering to the Chancellor the sole political leadership of the Vaterländische Front and assisting him in winning for the latter the loyalty of the Heimwehr. But, as I learn from both friendly and hostile sources alike, Prince Starhemberg had reckoned without Major Fey's newly-won control over the local leaders of the Heimwehr armed detachments. The latter, when summoned to sanction the agreement, refused to desert Major Fey, Nazi sources stating that in so doing they were standing out for Germany against Italy. Major Fey further refused flatly to accept the Cabinet's offer of an appointment as Austrian Minister to Budapest, and could not for a time be tempted with the addition of the rank of general, although his wife's ambitions are known to have made refusal of the latter honour a hard one.

3. Finally, he has accepted, according to my present information, to remain as Minister of Public Security, which should give him control of police forces, as well as the advance in rank which he had previously refused.

4. The Chancellor's scheme for ridding himself of any ambitious satrap has—if such was indeed his object, as is declared by reliable informants—for the moment miscarried. Pan-German sources further declare that after dealing with Major Fey he had hoped to eliminate Prince Starhemberg. This I report because it is evident that the triumvirate are no longer at one with each other, and in place of the nervous irritation which prevailed in Nazi circles a month ago I find a grim and quiet confidence that one or other of them will sell the pass in the near future.

5. Equally significant are the evidences of active Communist propaganda among the masses of Vienna. Those in close touch with Socialist relief work have confirmed prevailing reports to the effect that the 'terrorist squads', whose so far unimportant activities are attributed to Socialists, are, in fact, adherents recently won over, by despair and propaganda against the former Socialist leaders, to the Communist ranks. Nazi sympathisers, moreover, state that they have no need to renew the tactics previously pursued, since the work will be done increasingly effectively for them by Communist workers.

6. The Government has taken elaborate precautions against disturbances or demonstrations on the 1st May by arresting, of late, a considerable number of politically doubtful persons. But Nazi escapes from Wöllersdorf and elsewhere, accompanied, at least in one instance, by the gaoler supposedly in charge of the prisoners, lent point to the Nazi claim that their doctrines are gaining ground, despite all the repressive activities of the present Government.

7. It is impossible to ascertain with any degree of accuracy what number of former Socialists have been won over to the Government's Vaterländische Front. Enemy sources say less than 4 per cent.; in which case they must certainly be leaving out of account all Government employees or persons

dependent in any way upon the favour of the Government, since the latter have one and all admittedly been compelled to join the one big party and to pay their monthly dues. Their professions of faith are, I regret to say (at all events in the important case of the teaching profession), of little or no value. Available evidence points, therefore, to the failure of the Government at present to make much progress in the direction of implementing its policy of winning the working classes to its doctrines.

8. Lying at the root of this failure is undoubtedly the virtual impossibility of adequately increasing work and reducing unemployment and suffering among these classes. The Government policy of repressions since the events of the 12th February has been clumsy, if not harsh, but had it been possible to provide employment the working man was, and is, prepared to exchange his political faith or let it lie dormant. So long, however, as retrenchment and dismissal are the order of the day and export trade flags as the result of the closing of one door after another to Austrian goods, the efforts of the Government to consolidate the masses behind them do not advance, for the youth of this country is, with a characteristic lack of prudence and patriotism, ever tempted to sell itself to those whose doctrines and propagandists cry that they are the champions of the working men and the providers of 'bread and games'.

9. On the economic aspects of the situation I reported in my despatch No. 78<sup>2</sup> of the 16th instant. This report I have supplemented with a despatch No. 83<sup>2</sup> of today's date, on the banking situation. The situation of the Government can at present only be described as precarious, and the effects of its dilemma upon the trade of any country unable to make special agreements for furthering Austrian exports and decreasing unemployment is made clear—from a British standpoint—in my despatch No. 84<sup>2</sup> of today's date.

10. I am sending a copy of this despatch to His Majesty's Ambassador at Berlin.

I have, &c.,  
W. SELBY

<sup>2</sup> Not printed.

#### No. 412

*Sir E. Phipps (Berlin) to Sir J. Simon (Received April 30)*

*No. 101 Saving: Telegraphic [W 4040/1/98]*

BERLIN, April 29, 1934

Herr von Ribbentrop, the newly appointed German Commissioner for disarmament questions, called on me yesterday.

2. I asked Herr von Ribbentrop whether he saw any way out of the present 'impasse' and he replied that he did not. The French had banged the door; their reply was most unreasonable, was considered so by most people in England and by many in France itself, and unless His Majesty's

Government could persuade the French to abandon their present attitude he did not see how the negotiations could proceed.

3. I reminded Herr von Ribbentrop of what I had said to him a long time ago, i.e., of the wonderful position in which Germany would have been *vis-à-vis* of world opinion if she had accepted the British memorandum as it stood without her demands for a powerful military air force. I made it clear that I was speaking entirely for myself without any instructions, but I enquired whether it would not even now be possible for Germany to take a step in the direction of the British memorandum by agreeing, at any rate for a limited period, to a more modest air force than the one she demanded. I pointed out that 50 per cent. of the French air force might seem reasonable, but, although I was no expert, it was not so modest a demand as at first sight it appeared. I gathered, and I believed that that was also the German view, that a very large proportion of the present French air force consisted of what might be described as 'tin kettles', whereas naturally every aeroplane of the new German air force would be highly up to date and in every way efficient. Moreover, Great Britain, by a show of what the Chancellor himself had described to me as excessive moderation, had reduced her air force to an absolute minimum. Would it not be possible for the German Government to join His Majesty's Government in their reasonable and moderate attitude, set the good example and content themselves with far fewer military aeroplanes than they originally demanded, for a limited time, within which strenuous efforts would be made to obtain the total abolition of military aircraft? (It would be far more difficult eventually to scrap new machines than old ones.) If Germany took such a step her position would before world opinion be enormously strong and she would presumably render it difficult, if not impossible, for France not to meet her half-way.

4. Herr von Ribbentrop said that he feared any such step would be quite impossible. Germany had from the outset of the discussions put all her cards on the table: she had made her highly reasonable demands not in order to bargain, but merely to set forth her requirements for bare purposes of self-defence. Indeed, he indicated that if no Convention were signed Germany's offer to accept modest percentages of her neighbours' air forces would lapse and she would be free from any limitation. I was unable to shake Herr von Ribbentrop in any way, and he repeatedly referred to public opinion in England, which he was convinced favoured the German demands, and particularly to the leading article in 'The Times' of April 27.

5. In connexion with this article it appears to me probable that it was greatly due to its appearance that Baron von Neurath made his speech that same evening.<sup>1</sup> This speech was, as he admitted to me last night after dinner

<sup>1</sup> Baron von Neurath addressed the foreign press in Berlin on April 27. He said that the French Government, by their latest Note, had abruptly broken off negotiations, begun over six months before, on grounds involving most serious accusations against Germany. It had never been the German aim to solve the question of future German armaments by unilateral actions and even now Germany was ready to come to an understanding at any moment. Germany's hand remained extended; it was for the other Governments to grasp this hand.



at the Belgian Legation, drafted about a week ago, but held up pending the conclusion of M. Barthou's tour and of Signor Suvich's visit to London. Herr von Hoesch had reported the inconclusive character of that visit and so Baron von Neurath decided to release his speech.

6. I had a long conversation at the Belgian Legation with His Excellency and the Belgian Minister. They both agreed that it was hopeless to expect France to accept the double operation of her own disarmament and German rearmament. Baron von Neurath, who knew that I was going to London today, said to me: 'Tell your Government that all now depends on them. They must show determination and courage, and again take the initiative, and all will yet be well. I know it is hard for them after all this time to have to confess that disarmament is still an empty dream, but all sensible people in England will eventually recognise that fact. Mr. Henderson admitted it to me as long ago as last September.'

7. I asked Baron von Neurath whether Germany would return to Geneva and to the League. He replied that the process he had in mind was (1) agreement (not at Geneva) on main outlines of a convention for limitation of armaments, (2) discussion of technical details thereof at Geneva, (3) signature of Convention, (4) modification of procedure of League, and (5) return to League of Germany.

8. It emerged from our discussion that Germany would only require a limitation of the subjects to be discussed by the League, but would not expect the small Powers to be placed in any position of inferiority (any such idea would end, so the Belgian Minister declared, in Belgium leaving the League).

9. Baron von Neurath's manner throughout was most friendly; he assured us of his earnest desire to conclude a convention and said that he had made his speech, which was addressed in particular to Great Britain, with the object of opening the door that France had slammed.

10. Count Kerchov was told yesterday at the Ministry of Foreign Affairs that the chief passage in the speech was the last sentence, i.e., the reference to Germany's outstretched hand. He is very hopeful after Baron von Neurath's above-mentioned remarks and will certainly report favourably thereon to the Belgian Government. I need hardly say that I repeatedly in the course of our discussion laid special stress on the good example set by Great Britain in the matter of disarmament, an example that nobody else had followed. I also pointed to the natural aversion felt by British public opinion for a disarmament conference that ended in mere rearmament. Both Ministers remained unconvinced, however, and pointed in their turn to the advantages of controlled limitation over uncontrolled and unlimited armaments.

11. I promised to report faithfully to His Majesty's Government what had passed between us, but gave no indication whatever that the suggested initiative to be taken by them would be in any way welcome. So far as 'disarmament' is concerned, the suggestion is in effect that we should sponsor the original proposals made to me by Herr Hitler on October 24 last (see

my despatch No. 1037<sup>2</sup> of that date), plus certain additional assurances regarding control of the S.A. and S.S., etc., and, presumably, plus certain guarantees to France to overcome her present refusal to 'legalise' any form of German rearmament. You will remember that the Chancellor has declared himself to be quite ready even to agree to an Anglo-French defensive alliance.

<sup>2</sup> See Volume V of this Series, No. 489.

### No. 413

*Mr. Campbell (Paris) to Sir J. Simon (Received May 1)*

*No. 123 Saving: Telegraphic [C 2706/1647/17]*

PARIS, April 30, 1934

My telegram No. 121 Saving.<sup>1</sup>

I have not yet seen M. Barthou since his return from Warsaw and Prague but the following information on the results of his visits is derived from several sources in close touch with him and believed to be substantially correct.

2. The first contact with the Polish Government was extremely frigid but M. Barthou in the course of his conversation with Marshal Pilsudski which was described as brutally frank succeeded in breaking the ice. In his subsequent conversation with Colonel Beck at Cracow he was able to discuss freely and frankly French and Polish policies on all questions. The Poles made it quite clear that they expected to be treated as an independent Great Power and that their treatment by the previous Radical Governments and in particular the latter's disarmament policy had greatly shaken their faith in France. Marshal Pilsudski appears to have succeeded in turning the tables on M. Barthou who was made to realise that if France now needs Poland, she must pay the necessary price. M. Barthou or at any rate those accompanying him derived the impression that the Marshal was very strongly drawn towards Hitler's orbit and while professing that the Franco-Polish alliance was still the foundation of Polish policy, he would require very careful handling indeed and every kind of favour if he was to be held.

3. M. Barthou found the Polish Government extremely unforthcoming on the subject of Russo-Polish *rapprochement* which the French Government are anxious to promote as part of their policy of utilising Russia as a check on Germany. Marshal Pilsudski professed himself as no believer in the League of Nations but said that he regarded individual strength and pacts between neighbours as the best guarantee of peace. The sort of concessions which Poland expects in order to placate her are a permanent seat on the Council and acquiescence in her desire to repudiate the Minorities Treaty.

4. I also understand, though I cannot confirm it, that it was agreed that a Polish military officer should visit Paris in order to discuss with Marshal Pétain the bringing up to date of the secret military understanding which

<sup>1</sup> Not printed.

accompanies the Treaty of Alliance since Polish undertakings in respect of troops etc. are no longer held to be commensurate with her recent growth.

5. The visit to Prague proved the complete agreement between the French and Czech Governments on all aspects of policy. I also hear, though again I cannot confirm, that the Czechs developed their misgivings in regard to Poland whose alleged hankering after a common frontier with Hungary and whose suspected lukewarmness on the subject of the 'Anschluss' have had a most disturbing effect.

#### No. 414

#### *Record of a Conversation with Mr. Henderson in the Secretary of State's Room at the House of Commons on Monday, April 30, 1934*

[W 4226/1/98]

Mr. Henderson called on the Secretary of State today at his own request. Mr. Eden took part in the conversation. Mr. Strang was present.

After some preliminary conversation, in the course of which Sir John Simon told Mr. Henderson that Signor Suvich had been unable, during his recent visit to London, to throw any light upon the attitude of the French Government, Mr. Henderson said that the position as he saw it was as follows: In June last, by a decision of the General Commission, he had opened negotiations with the various Governments. After his return from his visits to the capitals he found that private conversations were going on. He therefore stood aside. At a later stage the parallel and supplementary efforts were undertaken. These had now come to an end. The French had appealed to the General Commission. They had also asked for one or two meetings of the Bureau before the General Commission met, but they had not stated what they wanted to do when the Bureau met. It had occurred to him that there might be some utility in his going to Paris now in order to find out what the French Government really intended, and to do what he could to help matters forward. He must, however, have some assistance from His Majesty's Government. In December last he had communicated to Sir John Simon the text of the French proposals in regard to guarantees of execution. He now wanted to know what the reply of His Majesty's Government was. He was not sure, whatever that reply might be, that the French would now be satisfied with mere guarantees of execution on the lines proposed. They would probably want more, and in particular something in the nature of pooled security, which is, in their view, contemplated by the second part of the declaration of the 11th December, 1932, i.e., 'a system which will provide security for all nations'. He believed that the French Governments which had preceded the present French Government would have been satisfied if His Majesty's Government had made a definite declaration that they stood by Locarno, including Annex F (draft collective note to Germany regarding article 16 of the Covenant of the League of Nations). This would probably

not be enough for them now. Would it be possible for His Majesty's Government now to say (1) that they would collaborate in a system of pooled security against an aggressor, and (2) that they would be prepared to apply penalties in the event of a violation of the disarmament convention?

Sir John Simon said that the list of proposed guarantees submitted by the French Government to Mr. Henderson had been carefully studied. They were very vague. Had the French Government considered whether it would be possible to enforce such guarantees without the collaboration of the United States?

Mr. Henderson said that as regards action against an aggressor, it was clear that the United States Government could not go beyond Mr. Norman Davis's declaration of May 1933. A declaration of this kind could be made by the President at the time of the signature of the convention. It could not, however, be incorporated in the convention itself, as the Senate would undoubtedly reject it. As regards consultation in the event of a violation of the convention, it was clear to him that the United States Government could not avoid this. By the terms of the convention, violations of the convention would be established and considered by the Permanent Disarmament Commission. The United States would be represented on the Commission and would necessarily take part in the consultation.

Sir John Simon, continuing, said that one of the measures which the French proposed was economic pressure in various forms. Would the United States Government agree in advance to collaborate in applying such pressure? His information was that they would not. Had the French Government really thought about this? He had put the question to Mr. Norman Davis when he was in London in April last and the reply had been discouraging.

Mr. Eden observed that one of the things which Mr. Norman Davis had said was that his declaration of May 1933 had been made on the assumption that there would be a convention containing provisions for disarmament. It was not at all certain that that declaration would hold good in the event of the conclusion of a convention containing no provision for disarmament.

Sir John Simon said that he had been anxious to get favourable answers to the two questions he had put to the French Government. If the answers had been favourable it would have been possible to approach the United States Government and ask them whether they were prepared to collaborate. By refusing to answer our questions, the French Government had thrown matters into confusion. He could, however, assure Mr. Henderson that the question of economic sanctions had been most carefully and sympathetically considered. It was clear, however, that, if economic sanctions were applied against Germany in the absence of collaboration from the United States, they could not have much effect on Germany, and that the real sufferers would be not so much Germany as the countries applying pressure. If, on the other hand, the Americans did collaborate, such sanctions might perhaps be effective.

Mr. Eden suggested that even if American collaboration amounted to no more than doing nothing to obstruct the action of others, economic pressure might perhaps be useful.

Mr. Henderson said that, so far as he knew, Mr. Norman Davis's declaration still stood. As regards guarantees of execution, his own opinion was that the United States would be unable to avoid taking part in consultation on the basis of the convention itself, but he admitted that when he had handed the French proposals to Mr. Hugh Wilson, the latter and Mr. Norman Davis had thought it useless even to submit them to the United States Government.

Sir John Simon said that he had the strong impression that the United States Government would not be prepared to enter into any undertaking in this matter.

Sir John Simon then read to Mr. Henderson the record of his conversation with the French Ambassador on the 26th April, in which he had asked for explanations in regard to the French memorandum of the 17th April. No answer had yet come, and he proposed to remind the French Ambassador. He thought that it would be a good thing if Mr. Henderson were to go to Paris now and to tell the French Government that their last communication had put him, Mr. Henderson, in an unfair position.

Mr. Henderson said that M. Avenol's view was that it might be wise to wait a week or two before going to Paris. This opinion had rather surprised him.

Sir John Simon said he saw no reason for delay.

Mr. Eden suggested that if the French Government asked what the view of His Majesty's Government was as regards guarantees of execution, the reply might be that they had asked the French to inform them what guarantees they really wanted to make agreement upon the United Kingdom memorandum possible. The French reply had been a flat negative.

Sir John Simon said that no one would put such questions as His Majesty's Government had put except in the belief that if the reply were satisfactory some way or other would be found to satisfy the French. It was unreasonable to expect His Majesty's Government to give a definite and detailed statement of their views on a particular document before the principle was settled, and the principle could not be settled until the French answered our questions.

Mr. Henderson asked whether Sir John Simon could not give him some definite assurance as regards Annex F to the Locarno Treaties to take with him to Paris.

Sir John Simon asked whether there was any doubt about the attitude of His Majesty's Government in this matter.

Mr. Henderson replied that there certainly was, and that the French were extremely suspicious as to His Majesty's Government's attitude. M. Briand

had once said to him that the Government of the United Kingdom had never stated that they would honourably carry out the obligations of Locarno, including Annex F.

Mr. Eden said that he thought Mr. Baldwin had made the view of His Majesty's Government plain at Birmingham in the autumn.

Sir John Simon recalled that he himself had made a statement in the House of Commons.

Mr. Henderson observed, however, that on that occasion somebody had asked whether a unanimous vote was necessary, and Sir John Simon had replied that it was necessary and that His Majesty's Government would be represented. The French had noted this reply and thought that everything would be held up by the British vote.

Sir John Simon remarked that if this was exercising the French it showed a curious state of mind on their part. What they wanted, he thought, was to extend Locarno to the eastern frontiers, and this His Majesty's Government could not do. But he had never heard any authorised French or Belgian suggestion to the effect that His Majesty's Government did not consider themselves bound by Locarno.

Mr. Henderson said that he had the same impression from M. Daladier last July. What the French wanted was not speeches in the House of Commons but a written declaration that His Majesty's Government would stand loyally by Locarno, including Annex F.

Sir John Simon asked whether Mr. Henderson really suggested that it would be possible to obtain a disarmament convention merely on the strength of His Majesty's Government's reaffirmation of their Locarno obligations.

Mr. Henderson said that that was what he thought it had come to. The French had, of course, no right to ask His Majesty's Government to guarantee eastern frontiers.

Mr. Eden said he thought that His Majesty's Government would surely be prepared to make such a declaration if the *quid pro quo* were a convention containing some disarmament.

Mr. Henderson said that it would be a bitter disappointment to him if the convention contained no disarmament.

Sir John Simon suggested that Mr. Henderson should ask the French Government what they meant by the last sentence of their memorandum of the 17th April. He might inform them that he knew that His Majesty's Government stood by Locarno, and were always prepared to say so. But that His Majesty's Government wished to know what the French Government really meant.

Mr. Henderson said that he would have liked to have authority to give the French Government a statement of the position of His Majesty's Government, both as regards guarantees of execution and Locarno.

Mr. Henderson added that he would also be glad to know whether, if he went to Paris, he went with the approval of His Majesty's Government.

Sir John Simon said that His Majesty's Government certainly approved.

It was subsequently arranged, at Mr. Henderson's request, that Mr. Eden should see the French Ambassador the same evening and inform him that His Majesty's Government were agreeable to Mr. Henderson's proposal to visit Paris.

**No. 415**

*Mr. Campbell (Paris) to Sir J. Simon (Received May 2)*

*No. 755 [W 4153/1/98]*

PARIS, April 30, 1934

Sir,

Nearly a fortnight has elapsed since the receipt of the French Government's reply to the questions which His Majesty's Government recently addressed to them in regard to their attitude towards the continuance on certain lines of the negotiations for a disarmament convention. I confess to having been so disappointed at the nature of this document, after the assurances given by M. Barthou to His Majesty's Ambassador, that I had little heart to begin at once taking fresh soundings with the object of ascertaining what was behind the attitude taken up by the French Government and whether they contemplate following up their negative response by some positive and constructive suggestion. I am now in a position to supplement the very meagre comment which was all that I was able to offer when reporting the receipt of the French note. Before doing so, I beg leave to resume briefly the situation which led up to the delivery of that document.

2. As reported at the time by His Majesty's Ambassador, the advent to power of the National Government in February last—at a time, that is, when the work of the Disarmament Conference was approaching its climax—dealt a severe blow to the hopes, encouraged by the policy of successive Radical Governments, that France, hesitating and suspicious though she was, would end by contributing her share towards an agreed solution. These hopes were nevertheless revived when His Majesty's Government, in the early part of this month, enquired of the French Government whether, in the event of it being possible to reach agreement on the guarantees of execution of an arms convention, they would be prepared to accept as a basis of such convention the United Kingdom memorandum of the 29th January, modified in accordance with the proposals made by the German Chancellor during the Lord Privy Seal's recent visit to Berlin; and secondly, what, in that case, would be the exact nature of the guarantees which the French Government would propose.

3. The action of His Majesty's Government in putting these questions encouraged the hope that they were prepared to go further than they had hitherto contemplated in order to facilitate the acceptance by France of a

convention which must necessarily be distasteful to her; and it was generally taken as further evidence that British public opinion is becoming increasingly awake to the reality of a German menace. Whether as a direct result of this move on the part of His Majesty's Government, whether of mature reflection on his own account, or a combination of the two, M. Barthou seems to have come round to the idea of proceeding with the negotiations for a convention. On more than one occasion he made to His Majesty's Ambassador the most positive statement to that effect (though he was prudently vague as to the precise character of the agreement which he had in mind) and assured him that he fully realised that the time for vague generalities was past and that the reply to the enquiry made by His Majesty's Government would be in the most explicit terms.

4. It was therefore with complete surprise that I learnt of the tenor of the French note when M. Barthou handed it to me on the 17th April. It constituted no direct reply, such as he had promised, to the questions put by His Majesty's Government, and amounted in effect to a statement that it was idle to discuss guarantees of execution inasmuch as the French Government were disinclined in present circumstances to pursue negotiations for any convention legalising German rearmament, and that indeed there could be no question of organising any satisfactory scheme of security so long as Germany remained outside the League of Nations.

5. The press and public were no less surprised; even persons in the closest touch with Government circles had no hint that the reply would be other than a direct answer to the enquiry made by His Majesty's Government. The explanation of this *volte-face*, which I gave at the time, was that M. Barthou, though sincere in his dealings with His Majesty's Ambassador, had underestimated the power of those elements in the Government, such as M. Tardieu, M. Herriot and General Weygand, which had long been opposed to the signature of any convention which would bind France to renounce her liberty of action; that these elements had succeeded in obtaining the support of M. Doumergue; and that M. Barthou, faced with the alternative of resigning or of falling into line, had chosen the latter course rather than break up the National Government which is the only bulwark against the development of an internal situation capable of leading to civil war. I see no reason today to modify that reading of the course of events. It is true that M. Barthou was subsequently at pains, in interviews which he gave to journalists, to assert that there had never been any difference of opinion within the Government; but he could hardly do otherwise without exposing a weak spot in the solidarity of the Government of National Union.

6. So much, then, for the introduction to this despatch. With your permission I will now attempt to interpret the situation of which the French reply is the outward symbol. In the days immediately following the receipt of the note, it was difficult to obtain any illumination. I hesitated to ask to see M. Barthou again without instructions as to what line I should take; he was, moreover, completely engrossed with the preparations for his visits to Warsaw and Prague. Officials in the Ministry for Foreign Affairs, with



whom I can speak on a friendly and informal basis, appeared puzzled and somewhat ill at ease; my conversations with them left me little the wiser. In these circumstances, I thought my best course was to call on some of the leading Ministers, in the hope of eliciting what is at the back of their minds. Accordingly, during the latter part of last week, after a further conversation with M. Léger, I arranged to see successively M. Doumergue, M. Tardieu and M. Flandin, who, between them, cover the more influential elements of the National Government. The Military Attaché also saw General Weygand. I did not approach any Socialist Radical Minister, as, apart from M. Herriot, who has become a Nationalist where disarmament is concerned, and M. Sarraut, who is fully occupied with internal affairs, there is no outstanding personality of that persuasion. Indeed, the Socialist Radical contingent is at present a more or less negligible factor in the Government counsels.

7. It may be more instructive to give a brief account of each of these conversations rather than combine their upshot in a single account. I will describe them in the order in which they took place. Afterwards it may be useful to see whether they contain any common denominator such as would give us the mind of the Government as a whole and enable us to estimate what policy it is likely to adopt. I refrain from overloading these accounts with my own remarks; apart from such questions as were designed to draw out the persons with whom I was speaking, my observations were based on those which you made to M. Corbin, as recorded in your despatch No. 640<sup>1</sup> of the 26th April.

#### *M. Léger*

I had not seen M. Léger since shortly after the receipt of the note. I found his views had undergone some change. On the former occasion he had talked of attempting to frame a convention which could remain open to Germany's signature. At the interview which I am now describing he said that he did not believe in the possibility of reaching agreement on the terms of any such convention. He thought that it would prove necessary to close the conference down; it had failed to accomplish its allotted task of producing a convention for the reduction and limitation of armaments. Nor, in his opinion, could the conference legally invest itself with a new mandate such as would enable it to turn to the negotiation of a convention authorising an increase of armaments. Such a mandate could only be issued by the League of Nations, and it would be necessary, therefore, to refer back to that body. He went on to dilate at some length, as he had done on the previous occasion, on the difficulties of Herr Hitler's personal position, which he believed to be on the increase and which, though unlikely to lead to any early revolt against the present régime, were in his opinion the justification for eschewing any policy of weakness towards Germany. He concluded by saying that, according to French information, rearmament in Germany was proceeding at an ever-increasing rate; they had just learnt, for instance, that an order

<sup>1</sup> No. 407.

had recently been placed with one American firm alone for the delivery of as many aeroplane engines per month as they had previously supplied per year.

*M. Tardieu*

I was particularly anxious to see M. Tardieu, owing to the fact that he and M. Herriot had presided over the sub-committee of the Committee of National Defence, which had been studying the problem. Among other questions, I asked him if he could explain how it was that France, after having pleaded for years for increased guarantees of security, had apparently suddenly lost interest when, the other day, His Majesty's Government showed in a more marked way than they had ever before done their desire to consider the means of satisfying French requirements. M. Tardieu replied that guarantees of execution were not a very satisfactory form of security. They must of necessity operate by stages, each of which might give rise to considerable delay. In his opinion the only really satisfactory thing would be some formal declaration by Great Britain that she would stand by the side of France in the event of a German aggression. He realised, however, that this was impracticable. Throughout the course of her history England had never committed herself in such a manner, and could not do so now. That being so, the French Government would not ask for what they knew must perforce be refused. In point of fact there had been no obligation in 1914, but Great Britain had immediately come in on the side of right and justice; he, personally, did not doubt that she would do again what she had done before. As to the potential advantage, which I had mentioned, of endeavouring to limit the rearmament of Germany by inducing her to come into a convention which she would accept of her own free will, M. Tardieu said he had no belief whatever in Germany's good faith. She had not been slow to violate the Young Plan, and was now openly violating the Treaty of Locarno, both of which she had signed of her own free will. At the very moment when His Majesty's Government were making their recent enquiry, Germany had defiantly announced a vast increase in her military budget. This had been the last straw. For twenty months or so the destinies of France had been in the hands of a series of weak-kneed Governments which had adopted a policy of internationalism. It was time to pull up, to close down these four-Power discussions which smacked too much of the Four-Power Pact (which, incidentally no Government had been able to ratify), to return to the League of Nations, and to rely on the Covenant, which contained all the necessary safeguards if loyally applied. On returning to Geneva at the end of next month there would have to be a general moral stocktaking. In this process, France would not be alone; she would have the support of her friends; even the Powers which had joined in the memorandum of the 14th April<sup>2</sup> might, when the discussions had further clarified the situation, see the un wisdom of lending any further encouragement to German pretensions. Great Britain and Italy, if they still thought it

<sup>2</sup> This memorandum issued by the Danish, Spanish, Norwegian, Swedish, and Swiss delegations to the Disarmament Conference is printed in Cmd. 4559 of 1934.

expedient to admit German rearmament, would have to face up to the responsibility of that policy. As to the German menace, M. Tardieu did not believe in the imminence of war. For one thing, Germany could not afford to indulge forthwith in any vast expenditure. Moreover, Herr Hitler himself knew that it would be the signal for the overthrow of his personal régime. But those were not reasons for legitimising a tendency in Germany which, if not checked, must sooner or later plunge Europe into a fresh war. He thought that when this came the German onslaught would not be launched through Belgium alone, but also through Holland or Switzerland, or both.

*M. Doumergue*

In answer to my preliminary question, M. Doumergue said that the underlying inspiration of the French note was fear. Every concession made to Germany had been followed by a fresh and more extravagant demand. Further concessions would be followed by yet further demands; it was time to show that this process could not continue indefinitely. The signs that German rearmament was proceeding at an ever-increasing rate were daily accumulating. Only recently the French Government had obtained the most disquieting information in regard to German aviation orders. M. Doumergue then proceeded to read to me extracts from Herr Hitler's letter to Herr von Papen of the 21st October, 1932, concentrating especially on those passages in which Herr Hitler declaimed that Germany must work to prevent the conclusion of a disarmament convention, and asserted that the conference would never do more than register German rearmament. That was, in fact, precisely how things had worked out. M. Doumergue did not think that Herr Hitler was at present deliberately contemplating war, but there were grounds for fearing that the difficulties of his personal position, which was manifestly deteriorating, might soon drive him to further extremes. In any case he was not eternal and there were people in the background, such as the Junkers, who would not be content to be dominated indefinitely by a former house-painter. If these people supplanted Herr Hitler, there was no saying what folly Germany would commit. Even with Herr Hitler the danger was great; he was a man who thought on big lines; his ambitions were vast; for instance, there was every reason to suppose that he had by no means renounced his dream of effecting the 'Anschluss'. This was one of several potential causes of war. M. Doumergue had discussed it with Signor Suvich, who had asserted that Italy would resist the 'Anschluss' by force. If war ensued over this question, France would of necessity be drawn in. The French Government, M. Doumergue continued, had wanted to reach a solution, and had considered the matter at great length; they had chosen the British rather than the Italian plan for consideration, because they had wished to maintain their collaboration with His Majesty's Government. (NOTE.—Doubtless also the experts had found that it was more advantageous.) Then had come the announcement of the increase in the German military budget. This had caused a most disagreeable impression, as it

appeared to set the seal on German bad faith. The signature of a convention which would tie the hands of France would be a doubtful way of meeting the ever-growing menace. Guarantees of execution could afford no certain safeguard. It would be another matter if Great Britain could declare her solidarity with France in the event of a German aggression; but that was clearly too much to expect. In M. Doumergue's opinion the dominating factor in the situation was Germany's withdrawal from the League of Nations; the League had been established for the purpose of preventing war, and any country which withdrew from it became *ipso facto* suspect. We had seen it in the case of Japan, whose intentions were the cause of growing anxiety. If the principle of equality of rights conceded to Germany were put into application by means rather of German rearmament than of the gradual disarmament of the so-called highly-armed Powers, the next thing would be that Japan, in 1935, would claim to bring her naval forces up to the British-American standard. In M. Doumergue's opinion the only safe course now was to return to the League of Nations and endeavour to work out some system of security. What was suitable for some was not suitable for all, and an effort should be made to solve the security problem on a group basis rather than by any universal set of rules. M. Doumergue here became somewhat involved (perhaps purposely so), and I suspect that he was thinking first and foremost of a general tightening-up of the bonds uniting France and her allies, whilst other Powers would be left to work out their own salvation. Finally, he remarked, as M. Tardieu had done, that in any future war Germany would in all probability launch her attack through Holland and Switzerland as well as through Belgium.

#### *M. Flandin*

I had selected M. Flandin as being, among the more influential Ministers, the one who had probably done most to represent the other side of the picture, and to plead for the adoption of a less intransigent attitude. In effect, he began by telling me in confidence that he had been the only one, after M. Barthou had been won over to the other side, to speak up in favour of a less uncompromising course. At the time when the provisional answer had been drafted, it had looked as though moderate counsels would prevail. Subsequently, M. Tardieu and M. Herriot had talked M. Doumergue over. The publication of the increase in the German military budget had played a considerable part in determining the French reply. The general feeling now was that it would be suicidal to think of disarmament. Neither the United States, Italy or Japan would reduce their forces by one iota; two of them were rapidly increasing them, and Great Britain would soon be compelled to do the same. Public opinion in France would still welcome conciliation if Germany would but give some evidence of good faith. In the light, however, of the way in which she was shaping, there was a general reluctance to proceed with a convention which France would observe and Germany would infringe. Guarantees of execution would not be considered

an adequate safeguard; they would be slow and uncertain in effect. Moreover, M. Flandin, as he could speak plainly to me, would not conceal the fact that the British forces were now so low that the French people felt that, whatever His Majesty's Government might offer in the way of security, France must, for the present, rely on her own efforts. M. Flandin himself had implicit confidence in the good sense of the English people, and he was certain that Great Britain, whether bound by specific obligations or not, would be unable to stand aside in the event of a renewed German aggression. He personally regretted the tenor of the French note, as he felt that it was a lost opportunity, but he was not taking an unduly tragic view as he felt sure that the course of events would inevitably draw the two countries together once more.

### *General Weygand*

I had suggested to the Military Attaché that he might take advantage of an interview which he was to have with General Weygand in order to draw him out on the subject of the French note. I am forwarding today, under separate cover, Colonel Heywood's most interesting record of their conversation.<sup>3</sup> I will only resume it briefly here. General Weygand admitted that he was opposed to any convention which would tie the hands of France; in his view such matters as the calibre of guns, the weight and number of tanks, &c., were of comparative unimportance beside the outstanding facts that German nationalism had been developed to a point where at a moment's notice it could be worked up instantaneously to fever pitch, and that Germany would soon have twenty-eight divisions at her disposal. General Weygand did not believe that the only alternative to a convention was a race in armaments. The war had taught us two important lessons: the first was the superiority of defence over attack; the second, the value of permanent fortifications which had proved capable of resisting the most stupendous attacks. Before she could attack France with any certainty of success, Germany would require an overwhelming margin of superiority; the increase of French armaments sufficient to meet a German attack would therefore be very considerably less than that required by Germany before she could launch it. The position was therefore safe for a considerable time without any great effort by France, unless, of course, some new scientific developments capable of revolutionising warfare were to be discovered. The existence of this possibility was an additional reason for preserving liberty of action. General Weygand was convinced that any new war would find England again at the side of France, but unfortunately the position was worse than in 1914, when a prepared scheme was able to be set in motion on the pressing of the button. Today there was no such scheme, and it would be months before the power of Great Britain could make itself felt.

8. That ends the series of conversations: let us see now what deductions can be drawn from them. The first point which strikes one is the similarity between the views expressed. In so far, then, as the different elements in

<sup>3</sup> See No. 416.

the Government faithfully represent the corresponding currents of public opinion, M. Barthou was justified in saying, after handing me the note, that it was the voice of France which was speaking. At all events it is clear that any discordant voices have been stifled and that the forces of no compromise are in control. So much is this the case that I must withdraw the theory that I advanced tentatively in the penultimate paragraph of my telegram No. 117, Saving.<sup>4</sup> I now think that the present Government is embarked on its present course for better or for worse, and that we must discount any possibility of a reversion to anything approaching the policy followed by its Socialist Radical predecessors. Nor do I think that any change of mind is likely to be imposed by Parliament or public. The Socialist Radicals, though still the largest party in Parliament, were seriously discredited by the events of last February. They are now divided among themselves and appear to have no definite policy. While, in ordinary circumstances, they would have disapproved of the present policy, there is little likelihood of their revolting in force against a decision in which their representatives in the Government participated. The only opposition will come from M. Blum and his partisans, but it will not command any appreciable following in the country at large. The public as a whole appreciates the results already achieved by the National Government; even those whom its existence offends admit that its disappearance at this juncture would be followed by chaos and civil commotion. A journalist recently told me that he had wished to condemn the policy reflected in the recent note, but that he had not dared to do so, as anyone who attacked the Government on any subject whatever was considered to be encouraging the forces of civil war. When attention, which at present is mainly centred on internal affairs, is again directed to the international situation, the Government should have little difficulty in persuading the public that conciliation has failed, and that France must accordingly ensure her safety by other methods. So long, therefore, as this can be done without recourse to extreme measures, such as a preventive war, the Government are likely to enjoy the support of the bulk of the country.

9. If we now examine more closely the views expounded in the conversations described above, there is little difficulty in finding their common denominator. It may, I think, be described as follows: The progress of events in Germany renders it impossible for France to contemplate the signature of any convention which, whilst legalising German rearmament, would bind her to reduce her own forces, or even to restrict them to their present level, at a time when she may at any moment be compelled to increase them, since Germany is bent on rearmament, and no reliance could be placed in her good faith to observe even a voluntarily accepted limitation; that guarantees of execution attached to a convention would be an inadequate safeguard, that Great Britain is never likely to offer the only form of security which would be of any real avail, and that, even if she were ready to do so, the offer would have lost much of its attraction in view of the

<sup>4</sup> Not printed. In this telegram of April 22 Mr. Campbell suggested that the line taken in the French note might be an expedient to gain time.

dangerously low ebb of British armaments; that, in these circumstances, France must take her own measures and gather her small friends around her; that she is in no immediate fear, since Germany must carry out, and pay for, an enormous increase of armaments before she can become a danger in attack.

10. There appear to be many points which are inconsistent and illogical in this reasoning. Without enumerating them, one may well ask, as a general observation, why, whereas successive French Governments have never ceased to harp on the security theme, and have endeavoured to make our flesh creep with the imminence of the German danger, M. Doumergue and his colleagues now apparently look forward to the (anyhow near) future with comparative confidence. I think the answer is that France, disheartened by repeated disappointments, has ceased to look to us for any immediate help, and that, under the National Government, she is returning to a consciousness of her own strength and of the support which her allies can afford her. We are, in fact, in the presence of an entirely new situation, and are witnessing a kind of resurrection of French virility engendered by the National Government. How long it will last is another matter. It may, of course, crumple up suddenly, but I incline to think the chances are rather that, having once started, it will increase in momentum. This does not imply that the French people would support the National Government in any military adventure. It will, I think, remain intensely hostile to any such thing, and even to the reimposition of any longer period of military service as a purely defensive measure. (There are those who say that it is because the Government realise this that it must preserve full liberty in the matter of armaments. The fact, however, that there is a complete absence of the militarist spirit does not preclude a regeneration of self-confidence and self-reliance.)

11. Everything, then, would seem to warrant the conclusion that the present French Government have set their face definitely against the signature of a convention which would tie the hands of France whilst at the same time legalising German rearmament. There was no hint in any of the conversations which I have reported of the possibility of compromise, no suggestion that any modification of the German demands might lead to a reconsideration of the position. The Weygand school of thought, which holds that it would be folly for France to bind herself towards a Germany whose bad faith is a foregone conclusion, would appear to have carried the day. I think it is certain that, if there were any weakening, General Weygand would resign; and I much doubt whether a Government whose motto is the rehabilitation of France could face an issue as contrary to its intentions as it would be damaging to its prestige.

12. But if the Government have taken their decision on the principle, I do not think that they have yet sketched out their future course of action with any precision; indeed, they could with difficulty do so until the attitude of other Powers, including Germany herself, is known. So far as they have any definite plan, I think the French Government, when the General Com-

mission reassembles at Geneva, will endeavour to stage what the Americans call a 'show-down'. They will seek to place the debate on the plane of Article 8 of the Covenant; will justify the attitude of France in the past and present (with special reference to the reasonableness of the French offer of the 1st January), and will attempt to fasten on the shoulders of Germany the entire blame for the breakdown of the Conference; they hope that during these proceedings not only the allies of France but other States will rally to her support.

13. The tightening up of the bonds with Poland and the Little Entente is significant in this connexion. The attitude of Great Britain remains a doubtful factor. Despite the answer returned to the recent enquiry of His Majesty's Government, the French Government and people still cling to the partnership with Great Britain, the maintenance of which they hold to be the only certain guarantee of peace. They believe that the spectacular progress of German rearmament will not be long in convincing the British public that Great Britain is no less threatened than France and that the safeguarding of their respective security forms a single problem.

I have, &c.,

R. H. CAMPBELL

#### No. 416

*Mr. Campbell (Paris) to Sir J. Simon (Received May 2)*

*No. 757 [W 4154/1/98]*

PARIS, April 30, 1934

His Majesty's representative at Paris presents his compliments to the Secretary of State for Foreign Affairs, and has the honour to transmit to him copy of despatch No. 4 from His Majesty's Military Attaché respecting an interview with General Weygand on the disarmament question.

ENCLOSURE IN NO. 416

*Colonel Heywood to Mr. Campbell*

No. 4.

PARIS, April 26, 1934

Sir,

I have the honour to report that, as previously arranged with you, I was able to broach the question of the French reply of the 17th April to the British note of the 28th March, 1934, in the course of my interview with General Weygand today.

2. General Weygand stated that he did not know the reasons which had actuated the French Government in framing their reply; as I was well aware, politicians did not consult soldiers in these matters, but he would give me his personal opinion.

As he had told me several times previously (in particular, see my despatch



No. 914 (3/K)<sup>1</sup> of the 25th October, 1933), he could not accept any limitation being placed on the French army in the present situation in Europe. All questions of the calibre of guns, the weight of tanks and their numbers were now of minor importance in view of the outstanding factors of the situation, which were—

That we now had a Germany where the spirit of nationalism had been so developed that it could be worked up to white heat at any moment; and

That Germany would very soon have a force of twenty-eight divisions at her disposal (twenty-one divisions of the Reichsheer and seven of the police).

Moreover, he was unable to trust the Germans to observe faithfully any vital international undertakings, so that any limitation agreement must necessarily place France at a disadvantage.

3. I enquired then whether this decision would not result in the start of a fresh armaments race in Europe. He replied that, in his opinion, it was wrong to say that the alternative to reduction or limitation of armaments was an armaments race, such as existed in Europe prior to 1914. He had tried to explain his personal view on this question to several people recently and had been misunderstood, but he hoped he would be able to make it clear to me.

4. The war had taught us two very important lessons:—

The first was the superiority of the defence over the attack.

The second, the value of permanent fortifications, which had resisted in such an amazing fashion against the most stupendous attacks.

5. As France had no intention of attacking Germany, and as her policy was definitely a defensive one, Germany, in order to wage war victoriously against France, would have to acquire a very considerable margin of superiority before she embarked on this venture. The increase in French armaments to meet a German attack would therefore be very considerably less than the increase needed by Germany to attack France. Therefore, unless some new method or means of waging war, capable of revolutionising the science of war, such as depicted by H. G. Wells in his book 'War of the World', were invented and suddenly produced, he felt convinced that Germany would not be able, with the weapons known to us at present, to overcome France, but the possibility of some such developments must not be ruled out, and that was an additional reason for not tying the hands of France by a limitation agreement.

6. In connexion with the advantage of the defender over the attacker, he would tell me a story which occurred during the war: Mr. Lloyd George came over from England and met the representatives of the French Government at Beauvais on the 3rd April, 1918; the object of the meeting was to extend the powers already given to General Foch at Doullens the previous month. After the meeting, which took place at the Hôtel de Ville, Mr. Lloyd George, who had not had time to lunch before, went across the Place to

<sup>1</sup> See note 2 to Enclosure 1 in No. 48.

a small restaurant to have some food; General Foch and General Weygand, amongst others, accompanied him and stayed to talk to him during his meal. Mr. Lloyd George, who was fond of his little joke, then addressed General Foch in a bantering tone in the following terms: 'Well, General, can you tell me now whom I should put my money on—Ludendorff or Foch?' General Foch replied without a moment's hesitation: 'Foch, because, you see, Mr. Prime Minister, Ludendorff has much the more difficult task; he has to break through and Foch has only to hold.'

7. Another very important lesson of the war was that no European nation could wage war for any length of time without command of the sea, which was necessary to ensure food supplies and supplies of raw material for its war manufactures. No nation, therefore, would be likely to undertake a war if it knew that it would find England opposed to it. He was convinced, as he had told me before, that the only thing which could ensure peace would be the knowledge that England would definitely be at the side of France if Germany attacked her; a clear undertaking to that effect would create an atmosphere of peace in Europe. Even a secret undertaking would be a great step forward towards the maintenance of peace, and he would add, what he had never told anyone else before, that he would have no objection to a similar secret undertaking being given to Germany by Great Britain.

8. Although he was perfectly sure that, in the event of Germany attacking France in the near future, England would find herself at the side of France as in 1914, he regretted that, from a military point of view, the position was very much worse than in 1914. In 1914 plans for the co-operation of the British army had been worked out in detail, all arrangements had been made for the transport of the British Expeditionary Force to France and its subsequent movements by rail, and when England joined in the war all that had to be done was to press a button and the prepared scheme was set in motion. Now, even if the British Government made up its mind to join in the war a fortnight earlier than it did in 1914, it would take at least a month to draw up the plans and make the necessary arrangements; this delay would be very regrettable and might have serious consequences.

9. My impression as the result of General Weygand's very interesting and extremely frank statements, which he repeatedly stated only represented his personal opinions, is that General Weygand is determined not to accept any limitation of the French army in the present circumstances, mainly for technical reasons, but that at the back of his mind, and possibly of the French Government's, there lies the hope that the simultaneous growth of nationalistic feeling in Germany and of her military forces may bring home to other countries (including Great Britain) the increasing danger which this growth would constitute to the peace of Europe, and may therefore induce these countries to take more effective measures to ensure their own security, which in time would be as much threatened as that of France.

I have, &c.,

T. G. G. HEYWOOD,  
Colonel, G. S., *Military Attaché*

## CHAPTER VII

### The last period of the Disarmament Conference: Franco-Russian proposals for an Eastern Pact: events of June 30 in Germany: M. Barthou's visit to London (May 1–July 10, 1934)

No. 417

*Mr. Newton (Berlin) to Sir J. Simon (Received May 10)*

*No. 512 [C 2937/29/18]*

BERLIN, May 2, 1934

Sir,

After the monster celebration held on the 1st May, 1933, a few criticisms were privately expressed to the effect that the party had perhaps overreached themselves and would probably be content with a demonstration on some more normal scale in the future. Whether because of such criticisms or despite them, the celebration on the 1st May, 1934, was on an even more colossal scale. Last year it was estimated that from 1 to 1½ million people were congregated on the Tempelhofer Feld; the numbers this year were estimated to be between 1½ and 2 millions. Meanwhile, similar demonstrations were taking place all over Germany.

2. The organisation had been much improved and the mobilisation took place, so far as is at present known, with complete success. Every section had its allotted place, to which it was able to march without undue difficulty. Gangways were provided and better arrangements were made to minister to the needs of so great a multitude assembled for so long a period. It was, in fact, a triumph of organisation and of party power. After making due allowance for differences in national outlook, it is, nevertheless, difficult for an unprejudiced observer to see what this gathering can have accomplished to stimulate the enthusiasm of such members of the party as are not already enthusiastic, or to promote the inward conversion of waverers and sceptics outside the party. Any potential opponents may, however, well have been cowed by such an impressive demonstration.

3. Attendance for the majority was compulsory, in fact if not in theory. Members of the Ministry for Foreign Affairs up to the rank of Assistant Under-Secretary were, for example, expected to march to the Tempelhofer Feld. One official of my acquaintance, who is well over fifty, took part, despite the fact that he is delicate in health. Another acquaintance, a retired Guards cavalry colonel, who now occupies some high position in a business, also marched with his staff, despite the fact that he is not robust and nearly sixty

years of age. The same pressure was applied to all concerned. Although wage-earners received their pay for the 1st May, they only did so if they could show that they had actually participated in the demonstration. I understand that those who obtained exemption by medical certificate or other valid excuse received no pay. While last year the staffs of undertakings were represented in many cases by detachments, this year the whole staff was expected to mobilise. The day was fine, and many no doubt enjoyed their outing. There must, however, have been others, though it is difficult to gauge how many, who wondered whether it was really worth while to inflict on this vast multitude the fatigues of a day lasting from early in the morning until late at night, involving miles of marching and hours of standing, all for what?—to catch a glimpse of Hitler in person and to listen by the aid of loud-speakers to a speech which was not stimulating. A full summary of it is enclosed herewith.<sup>1</sup>

4. I was present both this year and last and noticed the following points of difference: the organisation, as already mentioned, was much improved. For the privileged users of the grand stand it could indeed hardly have been better. The division into sheep (in uniform) and goats (in mufti) was even more noticeable than last year. The nearest of the workers not in uniform, i.e., the main body, were a long way from the speaker's stand, from which they were separated by a road. All, however, were given an opportunity to see and greet their leader at close quarters, as on this occasion Herr Hitler arrived on the Tempelhofer Feld a quarter of an hour before the time (4 o'clock) when he was due to begin his speech, and toured up and down the field standing up in his car for nearly half an hour. Before beginning his speech, which lasted just under an hour, the Minister of Propaganda, Dr. Goebbels, announced that Herr Hitler would deliver an account of his stewardship during the preceding year and lay down the lines on which progress must be made in the coming year. In the latter respect Herr Hitler's speech proved, however, to be very unenlightening. He complained of carping critics, and his speech gave an impression of being on the defensive; it is perhaps a prelude to a campaign against reaction, whether in the form of nationalism or communism. There was not much applause, but my recollection is that there was, nevertheless, more applause this year than last, when it was even more noticeably lacking.

5. A minor but perhaps more successful event on the 1st May was the demonstration of youth, by which the day was inaugurated at 9 o'clock in the morning. This took place, as last year, in the square in front of the Kaiser's former palace in Unter den Linden. The assembled youth between the ages of twelve and sixteen were addressed by Dr. Goebbels from the terrace of the palace. Soon after the conclusion of his address, Herr Hitler was seen standing up in his car approaching through the serried ranks of the boys and girls. I was struck not so much by the enthusiasm which was, in the circumstances, only to be expected, as by the genuine pleasure which Hitler's arrival seemed to inspire amongst all concerned. Another impression which

<sup>1</sup> Not printed.

I had as compared with last year, when I was also present, was that Herr Hitler had taken the place of the President. Although the most cordial and repeated tributes were paid in the various speeches throughout the day to the old Field Marshal, he took no part in any of the celebrations. Last year he, in a sense, inaugurated them himself, by addressing the youth from the palace terrace.

6. Two other events took place in the course of the day, one a special session of the Chamber of Culture of the Reich, and the other another demonstration in the square before the palace at 7.15 in the evening. The former, which took place in the Opera House in Unter den Linden, was attended by the Chancellor and addressed by Dr. Goebbels; the latter was in the nature of an overflow meeting for those who had not been able to take part in the major celebration on the Tempelhofer Feld. The speeches made were not of any particular importance.

I have, &c.,  
B. C. NEWTON

#### No. 418

*Sir G. Clerk<sup>1</sup> (Paris) to Sir J. Simon (Received May 7)*

*No. 127 Saving: Telegraphic [C 2822/1647/17]*

PARIS, May 5, 1934

Mr. Campbell's telegram No. 123 Saving.<sup>2</sup>

Mr. Campbell asked Secretary-General of Ministry of Foreign Affairs yesterday evening if he would give him some account of what had passed during M. Barthou's visits to Warsaw and Prague.

2. M. Léger admitted that at Warsaw there had been a certain frigidity at first on the Polish side, but it had not lasted long and the two Foreign Ministers had subsequently had a very frank and cordial exchange of views. The only result of immediate moment had been M. Barthou's success in dissipating the coolness, amounting to suspicion, which had grown up between Poland and Czechoslovakia, and was causing quite minor incidents to assume a gravity disproportionate to their intrinsic importance. Thanks to M. Barthou's mediation harmony had been restored and both the Polish and Czechoslovak Governments had since sent confirmatory assurances to that effect.

3. M. Barthou had made it his business to find out whether Poland was pursuing some deep and equivocal policy in her dealings with Germany. He had satisfied himself that the initiative in the German-Polish flirtation had come from the German side and that if Poland had indulged in a little flightiness it was because her Slav mentality had prompted her to turn the German advances to account without allowing herself to be compromised.

<sup>1</sup> Sir G. Clerk had succeeded Lord Tyrrell, on the latter's retirement from the Diplomatic Service, as H.M. Ambassador at Paris.

<sup>2</sup> No. 413.

While the German public was beginning to realise that Hitler's policy of conciliation towards Poland, dictated by his need of showing that Germany was not isolated, had brought no advantage to Germany, the Poles were quietly jubilant as they had scored by gaining time which was on their side. That did not mean that Poland was drifting into the German orbit; on the contrary, M. Barthou had received positive assurances that nothing of any kind had transpired which went beyond the terms of the German-Polish declaration of last January.

4. Mr. Campbell asked M. Léger whether it was true that the Poles had insisted on the revision of the military arrangements existing between the French and Polish General Staffs, and on French support of Poland's claim for a permanent seat on the Council of the League of Nations. On the first point he replied that though the matter had been mentioned it had not taken the form of a specific demand inasmuch as it was the normal and obviously necessary duty of the General Staffs to keep their plans up to date. The inference to be drawn from this slightly tortuous answer is presumably that contact between the General Staffs was interrupted by the cooling-off in Franco-Polish relations dating from the time of the Four-Power Pact but is now to be resumed.

5. On the second point he replied that French support had not been actually solicited, but that the Poles had made it clear that, in the event of Russia being admitted to the League (a contingency which, incidentally, they view with disfavour) and of her obtaining a permanent seat on the Council, Poland would demand similar treatment.

6. In reply to a further question M. Léger admitted that the Poles had shown great satisfaction on learning of the policy which the French Government had adopted towards the disarmament negotiations. They had previously decided that if and when Germany was released from Part V of the Treaty of Versailles they would take the line that Poland was *ipso facto* released from her obligations under the Minorities Treaty. The French Government, M. Léger added, would have viewed this contingency with the utmost apprehension since the Polish example would have been followed in other quarters and there was no saying where it might not have led.

7. I have nothing of interest to report on the visit to Prague, which seems to have been unclouded by any shadow.

## No. 419

*Record of a Conversation with Mr. Henderson in the Secretary of State's Room  
at the House of Commons, May 8, 1934*

[W 4555/1/98]

Mr. Henderson called on the Secretary of State this afternoon. Mr. Eden took part in the conversation. Mr. Strang was present.

Sir John Simon gave Mr. Henderson the purport of a conversation which

he had just had that afternoon with the French Ambassador.<sup>1</sup> He had found the French Ambassador unable, or unwilling, to answer his questions as to the line which the French delegation would be likely to adopt at the meeting of the General Commission of the Disarmament Conference at Geneva on the 29th May.

Mr. Henderson drew attention to a passage in the French reply of the 17th April in which the French Government urged that the work of the Disarmament Conference should not be abandoned, but taken up at the point at which the Conference left it when it invited Governments to proceed to an exchange of views outside the Conference. He doubted, however, whether the French delegation would have any proposals to make.

Sir John Simon remarked that the French might be pressing for a return to Geneva for one of two purposes, namely, either to advance the work of the Conference itself or to seek a reinforcement of the Covenant and other instruments of international security. The second had nothing to do with disarmament, but would be designed to organise better means of defence against potential dangers, i.e., Germany. The concluding words of the French reply seemed to point to the second rather than to the first of these two alternatives. The French argument might conceivably be that, not only was no progress being made with disarmament, but that Germany was rearming without consent; and that it was essential therefore to combine, not for purposes of disarmament, but for purposes of security.

Mr. Henderson said that one of his objects in going to Paris was to find out if possible how far the French were prepared to accept the decisions reached by the Conference in the past. Until he knew this he would be in the dark. Did they repudiate the declaration about equality of rights of the 11th December, 1932? Had they thrown over the resolution of the General Commission of the 23rd July, 1932,<sup>2</sup> which M. Herriot had supported? The latter laid down certain basic principles, among which was that the convention should provide for a comprehensive and substantial reduction of armaments. If there was to be a fresh start, the sooner the General Commission knew about it the better. It was therefore for the French to make proposals. He would have to rule, as President, that it was impossible to depart from decisions already taken by the General Commission, except by a new decision of the Commission itself.

Sir John Simon agreed. He recalled that His Majesty's Embassy at Paris, no less than Mr. Henderson himself, had expected that the French Government would reply to the questions put to them by His Majesty's Government, and had been surprised by the terms of the last French reply. Mr. Henderson might find it useful to read a recent despatch from Mr. Campbell,<sup>3</sup> in which he had reported statements of French policy recently made to him at his request by prominent members of the French Government. (A copy of the

<sup>1</sup> No record of this conversation between Sir J. Simon and M. Corbin has been traced in the Foreign Office archives.

<sup>2</sup> See Volume III of this Series, Appendix VII.

<sup>3</sup> See No. 415.

despatch was given to Mr. Henderson for his personal and confidential information.)

Mr. Henderson said that, from what Sir John Simon had told him of the contents of that despatch, it seemed that the present French policy would imply a complete reversal of past decisions of the Conference.

Mr. Eden confirmed that this was so, and said that the ground for it was German rearmament.

Mr. Henderson said that, if that was so, what had the French Government meant when they had agreed to the declaration about equality of rights of the 11th December, 1932?

Mr. Eden thought they might now argue that German rearmament had destroyed all possibility of security.

Mr. Henderson said that, to his mind, the declaration of the 11th December, 1932, meant that there should be as little rearmament as possible and as much disarmament as possible. The last paragraph of the declaration had laid it down that the object to be aimed at was a convention which would effect a substantial reduction and limitation of armaments, with a provision for future revision with a view to further reduction. Furthermore, in the September conversations of 1933 M. Daladier had contemplated a convention providing for both disarmament and rearmament in a second period.

Sir John Simon said he hoped that Mr. Henderson would be more successful than he had been in obtaining information about the line the French would take in the General Commission, and would be glad if Mr. Henderson would inform him of the result of his visit on his return. If Mr. Henderson should find that the French Government were concerned about Locarno, he could tell them that the obligations of Locarno were acknowledged by His Majesty's Government and would be performed. He had obtained authority to say at Geneva, if a suitable opportunity arose, that His Majesty's Government acknowledged that they were bound by Locarno and had every intention of executing it in the letter and in the spirit. The proper moment for making such a statement would have to be carefully chosen in order that the value of the statement might not be lost, but he saw no harm in Mr. Henderson's telling the French Government that he knew this was the view held in London.

Mr. Henderson said that he might perhaps put it to the French in conditional form. If the Secretary of State were to make a formal declaration at Geneva, how far would that satisfy the French? He would suggest to Sir John Simon, however, that it might be desirable to make such a statement in the House of Commons as well. He agreed with Sir John Simon that this might have the disadvantage of provoking cross-currents of debate, but, even if the declaration were made at Geneva only, there would be questions in the House of Commons none the less. It seemed to him that the sooner the statement was made the better it would be.



Sir John Simon said that he was still astonished at Mr. Henderson's impression that such a declaration would make any great difference to the French attitude.

Mr. Henderson said that his memory went back to the political negotiations during the London Naval Conference in 1930. M. Briand had said to him that the French had never been able to get His Majesty's Government to make a declaration of their position in public on the floor of the House.

Mr. Henderson then turned to the question of guarantees of execution. He proposed to ask the French Government whether they still stood by the proposals they had made to him in December 1933.

Sir John Simon observed that what the French Government had given to Mr. Henderson was not so much a series of proposals as a statement of what they would be content with. Mr. Henderson would see from Mr. Campbell's despatch that French Ministers now thought that guarantees of execution were of little value. So far as His Majesty's Government were concerned, it was difficult for him to give Mr. Henderson a formal statement of their view. He was able to say, however, that feeling in favour of the conception of guarantees of execution had grown both in the country at large and also among members of the Government. People were still, however, impressed by the practical difficulties, though this was not necessarily an obstacle to an examination of the problem. In so far as the guarantees included means of economic pressure, all would depend on the American attitude. If it were possible to obtain the fulfilment of the condition that the United States Government would not so act as to nullify the operation of such guarantees, then the idea might make progress here.

Mr. Henderson thought that, if the United States Government could be persuaded to do for guarantees of execution what they had undertaken to do for Part I of the convention, this would go a long way towards solving the difficulty.

Sir John Simon recalled that Mr. Norman Davis, during his recent visit to London, had been very reserved on this point. But, as a practical scheme, it all turned on the American attitude.

Mr. Henderson explained that he proposed to leave for Paris on the following day, the 9th May. He was to have a conversation with M. Barthou on the afternoon of the 10th May and hoped to be back in London again on the afternoon of the 11th May. It was agreed that Mr. Eden should, if possible, see Mr. Henderson before his departure for Geneva on Saturday, the 12th May.

As regards the disarmament meeting at Geneva, Mr. Henderson said that he proposed to call the Bureau for the morning of the 29th May, or, if M. Barthou pressed very hard for this, on the afternoon of the 28th May.

Sir John Simon said that he would be ready to go to Geneva for either date.

*Sir W. Erskine (Warsaw) to Sir J. Simon (Received May 12)**No. 225 [C 2988/1647/17]*

WARSAW, May 9, 1934

Sir,

I have not been able to obtain much information regarding the results of M. Barthou's visit to Warsaw beyond that already reported in my despatch No. 199<sup>1</sup> of the 25th ultimo, which was based on press interviews and official pronouncements. Besides making enquiries in other quarters, I have had conversations with the Minister for Foreign Affairs and the French Ambassador. Neither of them had much of interest to say, but, while the former is always secretive and the latter is sometimes rather reserved, I am inclined to think that on this occasion their reticence may be attributed less to any deliberate intention to withhold information than to the probable fact that there was little to impart. The conversations would, in fact, seem to have been mainly limited to a general exchange of views, and I think that beyond a mutual reaffirmation of the alliance as the basis of the relations between the two countries and the recognition that it does not preclude such arrangements with other countries as either party may deem to be in its interests few, if any, decisions were come to on current problems.

2. M. Beck, while expressing his satisfaction with the result of the visit and emphasising the cordial and frank character of the various conversations which took place with M. Barthou, indicated that the latter had recognised Poland's claim to treatment as an equal partner and her right to conclude such agreements with her neighbours as those with Germany and Russia. He added that Poland's main grievance—France's part in the Four-Power Pact—had been dealt with without difficulty as M. Barthou had himself in the Senate attacked the late French Government's policy on that question. On my referring to the French attitude on the disarmament question, M. Beck reminded me of the proposal put forward by Poland, a year ago, that a convention should then be concluded embodying those points of lesser importance on which agreement had already been reached. The time for that had passed, and he thought the political situation must now be allowed to develop further before any definite result could be reached. I think it may be inferred from this rather vague statement that the Polish Government have not committed themselves beforehand to support such action as the French Government may decide to take at the next meeting of the Conference. From a remark made by M. Beck to my Italian colleague that the Polish Government had enquired 'at the source' as to Germany's intentions regarding rearmament, the latter is of opinion that the Polish Government have already come to some understanding on the subject with the German Government. Personally, I rather doubt this. As I have already reported in my telegram No. 30<sup>1</sup> of the 7th May, M. Beck expressed to me the view

<sup>1</sup> Not printed.

that the Soviet Government had no real intention of joining the League of Nations, but added that for their part the Polish Government would have no objection to their doing so.

3. The frigidity of the first contact with the Polish Government mentioned in Mr. Campbell's telegram No. 123 Saving<sup>2</sup> of the 30th ultimo, refers no doubt to the fact that M. Beck did not go to the station to meet M. Barthou, no Polish official of higher rank than the 'chef du protocole' being present. In this he was, I imagine, observing the precedent set by the French Government on the occasion of his own visit to Paris.<sup>3</sup> The French Ambassador tells me that Marshal Pilsudski greeted M. Barthou with quite unusual cordiality, that in the course of the long conversation which ensued he exposed very fully his views on the whole international situation, and that M. Barthou had told him afterwards that he had been deeply impressed by the breadth of vision shown by the Marshal and the lucidity with which he had expressed his ideas in spite of his poor command of the French language. M. Laroche said further that the Marshal gave him the most emphatic assurance that there was absolutely nothing in Poland's engagements with Germany and Russia which in any way conflicted with the French alliance. I gather that he also expressed some scepticism as to the permanence of the Soviet régime. I doubt the correctness of the view referred to in Mr. Campbell's telegram that the Marshal is strongly drawn towards Hitler's orbit. If he gave that impression I have no doubt that he did so with deliberate intent in order to extract the maximum of favours from France. He has already succeeded in obtaining advantages from Hitler which he could never have obtained from a normal régime, and he is certainly determined to profit to the utmost from the present favourable circumstances, but I do not believe that personal sympathy comes into play at all, or, as I have already reported in the past, that he will commit himself too deeply with Germany. He regards the present *détente* with that country as a truce—which he hopes may last for a number of years—rather than as a definite settlement. I agree with the view that foremost among the favours expected from France will be support for Poland's claim to a permanent seat on the Council, and for her desire to be rid of the Minorities Treaty. I suspect that she has already succeeded in obtaining satisfactory, if not definite, assurances on both these points.

4. I am sending copies of this despatch to His Majesty's Ambassador[s] at Paris, Berlin and Moscow.

I have, &c.,

WILLIAM ERSKINE

<sup>2</sup> No. 413.

<sup>3</sup> M. Beck visited Paris in September 1933.

FOREIGN OFFICE, *May 10, 1934*

The Secretary of State, having to leave to fulfil another engagement, asked me to continue the conversation with Herr von Ribbentrop.<sup>1</sup> The latter asked me what in my view were the chances of any agreement being concluded. I replied that so far as Germany's contribution to such an agreement was concerned, I would tell him frankly that I regretted the ambiguous nature of Germany's attitude towards her return to the League. I could have understood the position if Germany had said that, as soon as a disarmament convention was concluded which granted her equality in the terms of the December resolution of 1932, she was prepared to return to the League, but we had never been told anything more than that Germany would be prepared to consider returning to the League. This was clearly not a convincing assurance. Herr von Ribbentrop said that, speaking quite personally, he was confident that, if a convention could be agreed, the difficulty in respect of Germany's return to the League would not really be serious.

He said that he would tell me frankly the Chancellor's mind, which he thought that he knew very well on the matter of foreign affairs, since they had often talked these matters over together—in fact it had been to a large extent he (Herr von Ribbentrop) who had been the Chancellor's personal guide in respect of knowledge of England and France, of which countries the Chancellor had no first-hand experience. The Chancellor was quite definite in his view that there was no cause for political differences between Germany and England or Germany and France. He wished for the friendship of England, but, as we knew, at the outset there had been considerable criticism of the Chancellor and he did not know what the attitude of public opinion now was. All the same, there were, in fact, no issues between us. There was no question, for instance, of Germany pursuing a von Tirpitz policy at this time. She had no intention of building a fleet.

In respect of France, there was no real issue either, except the lack of confidence. Germany had no intention of attacking France and indeed she knew perfectly well that, even if she wished to do so, any such attempt would be sheer folly on her part. But Germany had not the wish.

The problems in respect of Poland were of course much more difficult, but there the Chancellor had deliberately entered into this agreement in the confident expectation that in the course of years it would be possible to find some means of peaceful settlement of those problems.

I told Herr von Ribbentrop that frankly public opinion in this country was distinctly uneasy as to Germany's intentions. The budget figures had made a bad impression and the public had also not failed to note the lack

<sup>1</sup> A note on the filed copy of this record read: 'No record of the earlier part of this conversation appears to have been kept.'

of any positive declaration of an intention to return to the League. Herr von Ribbentrop had mentioned earlier the need for European confidence. I fully agreed, but Germany more than any other nation could contribute to this confidence.

Herr von Ribbentrop then asked me if I knew what the Secretary of State had in mind in his reference to pacts of non-aggression with all Germany's neighbours. I replied that the Secretary of State had not talked this point over with me in detail, but that I felt sure that the conclusion of a pact of non-aggression between Germany and Belgium, for instance, would give a measure of satisfaction to public opinion in this country.

Herr von Ribbentrop then remarked that he knew how concerned was public opinion in this country in respect of the air situation, and he recapitulated to me what he insisted was a personal suggestion for an air agreement. If the French Government would consent to a percentage reduction, however small—say 20 per cent.—in their present figures, Great Britain could rise to parity with the French figures and Germany could have 50 per cent. of the figure of France. This would be the situation for a five-year convention. Surely such an agreement would be better than none? Even if the French Government would not agree to any reduction at all, it might be possible to come to terms on a similar formula, Great Britain rising to the present French level. He could not help feeling that even a limited agreement of this kind was worth while, and he wondered whether on reflection the French would not prefer a limited agreement to none.

Herr von Ribbentrop also assured me that the last thing which had been intended by his visit here was in any way to make the situation more difficult for us, and of course he would make this fully clear to the press.

A. E.

**No. 422**

*Sir E. Drummond (Rome) to Sir J. Simon (Received May 14)*

*No. 18 Saving: Telegraphic [R 2772/1287/3]*

ROME, May 12, 1934

Your despatch No. 303.<sup>1</sup>

Following information regarding the Italo-Austrian-Hungarian economic agreements, which will probably be signed by May 15, was obtained from Head of Commercial Department of Ministry of Foreign Affairs, who has himself been leading negotiator on Italian side. As expected, these agreements are bilateral although contact has naturally been maintained between three groups during the negotiations.

2. As regards Austria, imports of timber and wood products into Italy will continue to be governed by the Semmering Agreements of February 23, 1932, under which measures were taken for an 'integration of interests', amounting in fact to particularly favourable credit facilities being made

<sup>1</sup> No. 369.

available to importers. Such facilities appear in practice to obviate necessity for preferential tariff rates. Such preferential tariff rates will, however, be granted by Italy for unimportant quantitative quotas of numerous Austrian industrial products. By this means the total volume of Austrian exports will be increased without, it is contended, materially affecting the interests of other exporting countries, who it is hoped will not protest against the derogation from the most-favoured-nation clause, out of consideration for the assistance rendered to the economic condition of Austria. (No indication was given whether similar facilities would be given by Hungary to Austria.) Signor Ciancarelli pointed out that His Majesty's Government had already indicated assent to such a policy and he did not appear to anticipate objections from France or Czechoslovakia, or indeed from any country.

3. As regards Hungary, Italy, together with Austria, had made arrangements which it was trusted would relieve Hungary of four-fifths of her exportable surplus of wheat. Austria had always drawn her wheat supplies from Hungary, and Italy would presumably now cover all her import requirements from that country. (This year their requirements would presumably be not inconsiderable as the prospects of the Italian crops were not good.) The Italian imports would be effected by certain Italian institutions (not by the State itself) who would be told the minimum price they had to pay. These institutions would receive such facilities as the Government could afford, but if they suffered loss on the transactions, it would, Signor Ciancarelli implied, be their own affair. Italy will also endeavour to assist Hungary to dispose of her wheat surplus on other markets: in what manner was not indicated. The Italo-Hungarian Agreement will, it seems, bear some resemblance to the recently concluded Yugoslav-German Agreement—which Agreement, Signor Ciancarelli remarked, was of a certain importance. The exports of Hungarian cattle to Italy, who took about 50 per cent. of these exports, would continue to be governed by the Semmering Agreements.

4. Italy was not receiving advantages under the new Agreements, which provided no facilities for increased Italian exports.

5. It did not seem that any great progress had been made in regard to increased use of Trieste and Fiume, and the impression was given that it was a difficult problem in view of the strong competition offered by the German North Sea ports and Antwerp. Italy was anxious to see increased traffic at both her ports, and Signor Ciancarelli disclaimed any intention to discriminate on the basis of origin of goods or flag of carrying ship. Signor Ciancarelli here referred to the measures already taken by Italy to facilitate the importation of coal, in transit, over certain ports (see my despatch O.T.A. No. 90<sup>2</sup> of April 30) and said that he believed considerable quantities of British coals were being imported under this arrangement by the Austrian State Railways over Trieste. Italy used the Adriatic Tariff under the Peace Treaty, and there were international railway tariffs the use of which could perhaps be amplified.

6. There was so far no question of instituting a Permanent Committee,

<sup>2</sup> This economic despatch has not been traced in Foreign Office archives.

but doubtless meetings from time to time to consult on the working of the agreements would be necessary.

7. There had been no discussions—as had been stated in the press—with the Little Entente as such, but, as occasion arose, individual members of the Entente had been consulted. Subsequent extension of the present agreements was being borne in mind, and in this connexion the ‘succession countries’ would come first into consideration.

Repeated to Vienna and Budapest.

#### No. 423

*Mr. Patteson (Geneva) to Sir J. Simon (Received May 14, 4.15 p.m.)*

*No. 21 L.N. Telegraphic [W 4646/1/98]*

GENEVA, May 14, 1934, 2.0 p.m.

Following from Mr. Eden.<sup>1</sup>

M. Avenol asked Sir W. Malkin, Mr. Strang and myself to dine alone with him last night. After dinner we had a long discussion on the future of the Disarmament Conference. M. Avenol was in complete agreement with us as to staleness of present Conference and as to difficulties of making any new contribution effective in such atmosphere. In his judgment it is in part this state of things which had blinded French opinion to the very real significance of our question as to guarantees. Extent to which Disarmament Conference had been drawn out had done the League much harm. It was the League which was his concern and he much hoped for the sake of the future of that body that the experiment of these unwieldy conferences was over.

At the same time M. Avenol was convinced French Government did not want a rearmament race. When M. Barthou had seen me in Paris his real sentiment had been against a convention even though he had not expressed it. He had since changed his view and though French Government were certainly not now prepared to legalise German rearmament they must be fully alive to consequences of collapse of Conference. What then was to be done? If progress was to be recorded at all it could only be amongst a restricted number of Powers away from atmosphere of present Conference.

M. Avenol agreed at once to my stipulation that Germany must be one of these Powers.

M. Avenol then recalled that it was Council which had charged Mr. Henderson with his task. Might it not be possible for Mr. Henderson to limit his mandate to Council at its September meeting? This would presumably bring to a close responsibility of officers of Conference. Council was the body which was responsible under Article 8 of Covenant for work of disarmament. Let Council then resume its responsibilities. It would be possible thereafter for Council to appoint a small committee to be in charge of disarmament

<sup>1</sup> Mr. Eden arrived in Geneva on May 13 for the meeting of the Council of the League of Nations.

negotiations. Work of disarmament would thus remain within framework of the League upon which the French would in any event insist. This committee would not however be compelled to work in the glare of publicity and would be able to consult United States, Japan and Russia as need arose. Such a programme would have additional advantage of closing down work of Disarmament Conference as a conference before Naval Conference began. M. Avenol was emphatic that it must be made clear that work of disarmament was to go on otherwise Japanese Government would be unduly encouraged to multiply their demands at Naval Conference. We were agreed that it was by no means impossible that if Conference were thus wound up or adjournment elapsed the experience of all countries in unregulated rearmament might furnish a valuable incentive to agreement. We were also agreed that it was dangerous to continue Conference when only nation which stood to gain from its protracted and fruitless labours was Germany. M. Avenol's suggestion of assumption of responsibility by Council seems to me a possible method of closing down the Conference while leaving open opportunities for negotiating a European agreement. I assume that M. Avenol will make this same suggestion to French but I am a little doubtful of its acceptance by M. Barthou who I fear may be more concerned with inducing General Commission to place on record condemnation of German rearmament as cause of breakdown of Conference.

No. 424

*Minute by Lord Stanhope*

[W 4751/198]

FOREIGN OFFICE, May 14, 1934

Having failed to see the Prime Minister and Mr. Baldwin, Herr von Ribbentrop came to see me on the morning of the 11th May. He repeated very much what he had said to the Lord Privy Seal<sup>1</sup> and then referred to my speech in the House of Lords on the Disarmament Debate of the 7th instant.<sup>2</sup> I told him that the two points which I had made were that Germany had refused to postpone her provision of aeroplanes for two years pending an enquiry, and desired to have military aeroplanes from the date of the Convention, and secondly, her refusal to return to Geneva. As regards the first point I remarked that I fully understood Germany's feeling that she had had to wait for a very long time for a disarmament agreement but it seemed to me unfortunate that when there were hopes of such a convention that she should have been unwilling to wait for so short a period as two years. I added that he knew that people in this country were anxious if possible to get some agreement in regard to air disarmament and they naturally felt that if Germany provided herself now with new aeroplanes the chances of such an

<sup>1</sup> See No. 421.

<sup>2</sup> See Parl. Deb., 5th ser., H. of L., vol. 92, cols. 52-62.



agreement would thereby be diminished. As regards the other point that Germany was not prepared to consider returning to the League, Herr von Ribbentrop said that possibly the German Chancellor might be prepared to reconsider the matter if an armaments convention were signed. I told him that I doubted if the nations of Europe could accept that as a promise that Germany would, in fact, return and indeed I understood him not to desire to give any such promise. Herr von Ribbentrop remarked that they did not care for the League of Nations in view of the fact that it originated with the Treaty of Versailles. To this I replied that I understood Germany's dislike for the parentage of the League but that after all fair offsprings sometimes eventuated in spite of unpleasant parentage. He then remarked that Germany would be unwilling to return to the League if she then found that once again she might be forced to leave it—a situation which would be worse than if she did not return at all. I replied that I hoped that Herr von Ribbentrop would forgive me if I said that I did not understand what appeared to me to be an 'inferiority complex' of Germany in regard to the League. I could quite understand Germany thinking that France perhaps had succeeded in surrounding herself with more friends in Geneva than had Germany but that as all decisions were given by a unanimous vote and not by a majority vote Germany's vote counted the same as anybody else's, that we had on occasions found ourselves in a minority but we had not as a result felt it incumbent on us to leave the League. Herr von Ribbentrop again said that perhaps the Chancellor might some day reconsider the matter.

The only other point which he made of any importance was in his allusion to the 'concessions' made by Herr Hitler in regard to the S.A. and S.S. He talked about young Germans feeling that they were circumscribed and wishing to burst the bonds which had so long been imposed on them, and that we must overlook the matter when young Germans took part in night marches in order to make themselves fitter. It is worth remarking that night marches are amongst the most difficult of military operations, and if they imply any more than marching at night along a road the performance of night marches reveals a high standard of military training and efficiency.

S.

#### No. 425

*Mr. Patteson (Geneva) to Sir J. Simon (Received May 15, 4.15 p.m.)*

*No. 26 L.N. Telegraphic [W 4714/198]*

GENEVA, May 15, 1934, 2.47 p.m.

Following from Mr. Eden.

M. Massigli dined with me privately last night when we had a two hours' conversation on the present international situation.

I did not conceal from M. Massigli my disappointment at the last French note.<sup>1</sup> He replied that this French answer has a double *raison d'être*.

<sup>1</sup> See No. 395.

In part it was due to a fear that precedent of (? December 11)<sup>2</sup> 1932 would be repeated. French Government had then agreed to equality within a system of security. The *equality* was now always remembered and *security* forgotten.

German budget figures were another influence and while M. Barthou himself had been prepared to answer our questions in hope that our reply would have justified further negotiations M. Doumergue and Cabinet had taken another view. Consequently M. Barthou had had no choice but to fall in with views of his colleagues. M. Massigli added Doumergue Government was now strongly entrenched. The only menace to its stability was M. Doumergue's health but were anything to happen to M. Doumergue M. Barthou would be his successor.

We then discussed immediate future of Disarmament Conference. M. Massigli told me French Government would stand by their note of January 1, the Government taking view that in present conditions they certainly could not show themselves more accommodating than their left wing predecessors. They would not have much to add to views set out in that note and would make it clear that they could not agree to immediate rearmament of Germany coupled with French disarmament. He admitted Conference could not usefully carry on its work any further at present, real problem was how to close down. M. Avenol had repeated to M. Barthou yesterday views he had expressed to me last Sunday (as in 21)<sup>3</sup> and M. Barthou had been favourably impressed by the arguments. In any case M. Barthou had it clearly in mind not to close the door against any possible future negotiations. M. Massigli shared the view that after a short experience of unregulated armaments nations may be better prepared to make a further attempt to reach agreement, such agreement might be more effectually realizable if the Council were in charge of negotiations. It was true that United States, Japan and Russia could not then be a party to such negotiations but this would facilitate concentration upon European problems which was in itself desirable.

I then asked M. Massigli whether the French Government were themselves nervous of any German military activity in the immediate future and if so what form they anticipated that such activity would take. M. Massigli replied that French fortifications on their Eastern frontier were now extremely formidable. He had seen them himself and they were as much an advance upon fortifications of Verdun during the war as were those of Verdun in advance of fortifications of the middle ages. In short they would either have to be turned through Belgium or Holland or flown over. As to Belgium there were two currents of opinion in that country. One personified by Minister of Defence wished to continue French fortifications to the Dutch frontier while the old school preferred 1914 strategy of falling back on Antwerp. In the meantime, however, some work was being done more particularly at Liège. In any future European war problem of Holland might therefore be very serious. Moreover the Swiss Government were also highly nervous and he

<sup>2</sup> The text is here uncertain.

<sup>3</sup> i.e. Geneva telegram No. 21 (No. 423).

had recently had information that they were accelerating their measures of defence.

Strength of French fortifications would enable French Government in any future German offensive to assist Belgium but extent of their assistance must depend on rapidity with which Belgian Government made up their mind that they needed it. There was a school of thought in Belgium which still hoped to be able to be neutral in any future war; his information was that in consequence perhaps of strength of French fortifications German Government was now concentrating upon rearmament in the air. Their programme in this element was extremely formidable. By the end of 1935 they hoped to have a first line Air Force of 500 machines of which 250 would be bombers, an immediate reserve of 400 military machines and a civil Air Force of 1,500 machines of which 250 would be available as bombers.

I asked M. Massigli why French Government had been so anxious to summon a meeting of the Bureau before General Commission meeting. He replied that French Government had been anxious lest Mr. Henderson, in a moment of enthusiasm, should have wished to propose to the General Commission that we should at once start to prepare a clean text for second reading of United Kingdom Draft Convention. If he had in fact been entertaining any such extravagant idea it was preferable that he should ventilate it in the Bureau where it could at once be corrected.

#### No. 426

*Mr. Patteson (Geneva) to Sir J. Simon (Received May 15, 9.0 p.m.)*

*No. 27 L.N. Telegraphic [W 4715/1/98]*

GENEVA, May 15, 1934, 7.30 p.m.

Following from Mr. Eden:

I lunched alone with M. Barthou today and we had a conversation upon present European situation. M. Barthou gave me a full account of his experiences in Poland, record of which follows by bag.<sup>1</sup>

2. On the subject of the Saar, M. Barthou admitted that Baron Aloisi's efforts had resulted in some progress being recorded.<sup>2</sup> Main difficulty at present was that German undertakings were only in the nature of assurances and it was difficult to place much confidence in mere assurances at this time.

3. As to disarmament situation M. Barthou explained that he had been most anxious to return a constructive reply to our questions, that he had done much work upon question of guarantees of execution, as also upon that of supervision. Technical difficulties in respect of both these problems were

<sup>1</sup> Not printed.

<sup>2</sup> On May 14 Baron Aloisi informed Mr. Eden that the German Government had informed him of their readiness to join with France in an undertaking scrupulously to fulfil all their obligations in respect of the Saar arising from the Treaty of Versailles. The undertakings were given on June 2 in the form of exchange of letters with Baron Aloisi. See *League of Nations Official Journal*, June 1934, pp. 651-3.

very great. None the less French Government would in all probability have decided to return a constructive reply to us, but for publication of German budget figures. After that event French Government could either have returned us an affirmative answer, knowing this would have had to be severely conditioned by them at a later stage, or have returned us a frank negative answer, which took account of realities. Very reluctantly but unanimously they had decided upon the latter course despite disappointment which they knew they must cause us thereby.

4. I said I fully understood negative French position, that they could not accept our memorandum. What was their positive position? Firstly, line they would propose to take when Disarmament Conference resumed. M. Barthou replied he could not yet give me an answer . . .<sup>3</sup> subject simply because he did not know himself. The French Government had not yet made up its mind. This week the Saar was its preoccupation. Next week in Paris . . .<sup>4</sup> measures would be before them and they would finally determine their attitude. If you could find it possible to stop in Paris for 24 hours on your way to Geneva for meeting of Bureau on May 28, M. Barthou would be very grateful and would be glad then to speak to you of French attitude. In any event they will keep us informed of their conditions<sup>5</sup> since they were most anxious to work in co-operation with us. Various courses were open to them. He mentioned one merely as a suggestion which must not be given too much authority. It might be that having considered situation and taken account here of efforts made to agree upon a disarmament convention the Conference would decide to refer outcome of its efforts to the Council of the League from whom it had received its authority. This you will notice is substantially the same suggestion as was made to me by M. Avenol.

5. M. Barthou was emphatic that French Government was not prepared to enter upon an armaments race. In this connexion he told me there was no truth whatever in the rumours that French Government intended to increase the period of military service. This proposal had not even been considered.

6. A new method for work of disarmament might have to be found but the work had to go on. He asked whether we had not been made anxious by our information as to German rearmament. His information was distinctly disquieting more especially in respect of the air. There was one method by which French attitude might be materially modified. If a spokesman of the United Kingdom Government could say if ever Germany attacked France or Belgium, England would be on the side attacked, that would have a profound effect upon French public opinion and was indeed all that they asked for. If, however, it was not possible for the United Kingdom Government to make any such statement then he was sure that in the interests of peace it was desirable that French army should remain strong more especially since future in Germany was so uncertain.

<sup>3</sup> The text as received was here uncertain. A later text read: 'answer upon this subject'.

<sup>4</sup> The text as received was here uncertain. The later text read: '... Paris the problem of May 29 would be before them'.

<sup>5</sup> In the later text this word read: 'decisions'.

It was possible that M. Litvinov might come to Geneva this week. If he ✓ did so it would be for the purpose of discussing a Soviet proposal for a Pact of mutual assistance between France and the Soviet Union as also perhaps for a discussion of possibility of Russia's entry into the League. We might hear report that the projected Pact of mutual assistance was to be European in character. This was (? subject to reservation).<sup>6</sup> Arrangement, if any, would be limited to France and Soviet Russia. Were anything more ambitious ever contemplated he would inform us.

<sup>6</sup> The text is here uncertain.

#### No. 427

#### *Record of a Conversation with Mr. Henderson in the Secretary of State's Room at the House of Commons on Tuesday, May 15, 1934*

[W 4801/1/98]

Mr. Henderson called on the Secretary of State this afternoon. Mr. A. Leeper was present.

Sir John Simon read out Mr. Eden's record of his conversation with Mr. Henderson on Friday evening.<sup>1</sup> He pointed out that Mr. Henderson had reported M. Barthou as giving no clear answer as to what the French Government proposed to do when they got back to Geneva, and as only talking vaguely of a return to the position of the 14th October.

Mr. Henderson thought that there was a certain amount of tactics in M. Barthou's position. M. Barthou probably felt that, if there was to be any recognition of the legal rearmament of Germany, then France must be assured of guarantees much wider than had previously been contemplated. M. Barthou had, however, not made it clear whether he had in mind anything wider than a reaffirmation of Locarno, but said he must consult his colleagues. His impression was that M. Barthou would make a long opening statement on the 29th May showing how faithful France had been to the cause of disarmament. Mr. Henderson felt that the right course was to encourage other Powers to be as frank as possible. At the end of a frank discussion we could perhaps see whether it was worth while making one more effort to reach a convention. We might, for instance, set up a drafting committee. It was for consideration whether, failing disarmament, it was any use to try and reach some sort of agreement about limitation, or again to concentrate on an agreement about the air or on Part I of the Draft Convention, or again simply try to bring into existence the Permanent Disarmament Commission.

Sir John Simon pointed out that the Permanent Disarmament Commission would only be of any use if there was a convention to which its activities would apply.

Mr. Henderson said that the difficulty about limitation was to find an *agreed* level. The *status quo* would not be a suitable level, e.g., for air armaments.

<sup>1</sup> Not printed. Mr. Eden saw Mr. Henderson on May 11 after the latter's visit to Paris.

Sir John Simon asked whether he meant that parity was a suitable level.

Mr. Henderson said parity or something like it. All this should be cleared up. He would like to get into touch with the Germans. It was impossible to do anything without them. We might have done so in October, when there were three alternative ways of dealing with them. Would it be possible now to get the Conference to say that we would, in the convention, give practical application to the agreement of the 11th December, 1932? That might be the way of getting the Germans back. He had been impressed by his conversation with Herr von Ribbentrop, to whom he had spoken very frankly. His impression was that it was not hopeless to get the Germans back to the Conference, and that that would be the first step towards getting them back to the League.

Sir John Simon agreed that it was right to maintain an attitude of hopefulness, but he wondered whether Germany really wanted an agreement.

Mr. Henderson said that Herr von Ribbentrop had been emphatic that Germany did want an agreement.

Sir John Simon doubted this, in spite of German protestations. What would be the value of a disarmament convention for Germany? In order to get rid of Part V of the Treaty of Versailles?

Mr. Henderson thought that was so.

Sir John Simon said that Germany would rearm in any case. Then was the advantage of a convention for Germany to re-establish her as honest or to put her in a position where she could not be pulled up arbitrarily? He was afraid that a point had now been reached when Germany was confident that if she conducted her policy discreetly she would not be pulled up. He thought the publication of the recent military and air estimates most significant. Germany was no longer bothering either about her reputation or about being pulled up. She now felt that no one would invade her. Therefore unless she could get an agreement that suited her she would prefer to carry on as at present.

Mr. Henderson repeated that Herr von Ribbentrop had stressed his desire for agreement. He (Herr von Ribbentrop) had suggested that, after a general discussion at Geneva on the 29th May, there should be an adjournment, and that Mr. Henderson should then visit Berlin and see the German Chancellor. Mr. Henderson had thought to himself: What would Germany do during the adjournment? Would she go on rearming? It would be an awkward question to address to her.

Sir John Simon suggested that the question might be put to Germany whether she would undertake not to increase her armaments.

Mr. Henderson pointed out that Germany might make the same enquiry—an embarrassing one—to France and Great Britain.

Sir John Simon said he entirely agreed with Mr. Henderson on the next stages. He agreed that all possible soundings had been taken up till the 29th May. He was not in favour of pursuing them unless the French volunteered

something themselves. He also agreed that, on the 29th May, it was best that the French should take the floor. In the circumstances he thought that was the natural procedure, for it was the French who had insisted on returning to Geneva.

Mr. Henderson said that there was one difficulty. The French had hinted to him that someone should be called on to report on what had happened during the diplomatic exchanges. He, as President, had circulated Conference papers a few weeks ago, including the important documents up to date. He could do so again.

Sir John Simon thought that would be best. Another Disarmament Conference paper might be circulated containing what had recently been published. For himself he had no further facts to reveal or comments to make at present.

Mr. Henderson said he had heard that the French wished to publish a Blue Book including their interim reply to the British Government of the 6th April, which had not been published, and also the document containing their proposed guarantees of execution which they had given him last December.

Sir John Simon said he had advised them not to publish the interim reply in the interests of their reputation in this country. He felt they should ask His Majesty's Government's concurrence before publishing this.

Mr. Henderson said that, as regarded arrangements, he proposed to hold merely a *preparatory* meeting of the Bureau of the Conference on Monday, the 28th, at 3.30 p.m. It was no use duplicating proceedings in the Bureau and General Commission. M. Barthou had told him he would agree to this.

Sir John Simon said that it seemed to him that the British feeling about prolonging discussions at Geneva was different from that of the French. The French felt that they lost nothing by continuing endlessly. The British desire was to make use of Geneva actively in order to get agreement. The British people were disturbed by the endless continuation of the Conference with no results in prospect. It was important, therefore, to find a new way of handling these matters. The French, of course, were quite content to go on talking at Geneva about the Disarmament Conference or the Treaty of Versailles, and they had their satellite Powers.

Mr. Henderson said that he thought the position of the satellite Powers had changed. He understood that Hitler had let Pilsudski know that he was not interested now in the Polish Corridor, but in (1) the 'Anschluss' and (2) Czechoslovakia. Dr. Benes would come to Geneva on the 29th with a different outlook. He would no longer be in favour of any disarmament convention.

Sir John Simon questioned whether Dr. Benes had for some time past been in favour of a disarmament convention.

Mr. Henderson agreed that Dr. Benes's allies, Yugoslavia, and M. Titulescu, did not seem to be in favour of a convention.

Sir John Simon repeated that British feeling was against endless meander-

ing discussions while Germany continued to rearm. We must find a new departure.

Mr. Henderson said either a new departure must be found or we must admit that a convention is no longer possible; this would be a very serious admission.

Sir John Simon called attention to Belgium's position. M. Hymans was arriving here tomorrow afternoon. What would he say? Latterly the Belgians seemed not to see quite eye to eye with the French. They had made some impression on M. Barthou when he visited Brussels and probably they were disappointed by M. Barthou's change of attitude on his return to Paris. They were particularly interested in their position under Locarno. As for the United States, Mr. Norman Davis seemed to be paying no further attention to the Disarmament Conference and presumably the American representative would be Mr. Hugh Wilson.

Mr. Henderson said that he would leave on Friday, the 25th, and spend a night in Paris, arriving at Geneva on the evening of Saturday, the 26th. He added that it looked as though the French now thought that the situation could only be dealt with by a European undertaking. They would probably approach us in regard to this.

#### No. 428

*Mr. Patteson (Geneva) to Sir J. Simon (Received May 20)*

*No. 19 L.N. Saving: Telegraphic [W 4818/1/98]*

GENEVA, May 19, 1934

Following from Mr. Eden:—

I had an interview with M. Barthou this morning in which I asked him if he could give me any information as to the outcome of his conversation with M. Litvinov yesterday. M. Barthou replied that M. Litvinov had come to Geneva to pursue negotiations which had been in progress for some little time between the two countries. The Soviet Government had proposed to the French Government a pact of mutual assistance to which it was proposed that Russia's neighbours, as also Czechoslovakia, Lithuania and Germany, should all be parties. I asked whether it was proposed that the United Kingdom should be included. M. Barthou appeared to hesitate for a moment and then replied that that point had not been considered. The proposal was still in its early stages and had nothing to do with the various Geneva suggestions for security. It was rather of the nature of an Eastern Locarno.

M. Barthou went on to explain that the French Government had told the Soviet Government that they could not be parties to such a pact unless the Soviet Government were itself a Member of the League. Consequently a parallel negotiation had been proceeding on the subject of the Soviet Government's becoming a member of that body. M. Barthou was confident that the Soviet Government wished to take up membership, but did not wish to



appear as a suppliant. This was perhaps why M. Litvinov had not asked to see me yesterday. M. Litvinov had sought to attach certain conditions to Russia's entry into the League in connexion with arbitration, mandates, the equality of races and so forth. M. Barthou hoped, however, that as a result of their conversation he had showed M. Litvinov that these conditions were either superfluous or unacceptable.

There remained the difficulty of the permanent seat. Russia would certainly insist upon having one if she joined the League. Poland would then certainly make a similar demand. Moreover, he had not concealed from M. Litvinov that Poland did not view Russia's joining the League with any enthusiasm. He had, however, been able, he hoped, to remove from M. Litvinov's mind certain of his graver suspicions of the Polish Government. These included a fear that the Polish-German agreement contained secret articles which affected Russia. M. Barthou had been able to give the most specific assurances to M. Litvinov that, unless the Poles were the most magnificent liars, such clauses did not exist.

I then asked M. Barthou whether he had had any conversation with M. Litvinov about the future of the Disarmament Conference. M. Barthou replied, 'only three or four minutes', for M. Litvinov's visit had been hurried. I asked M. Barthou to tell me what had passed in those three or four minutes and he replied, with some vague gesticulation, that certainly no decisions had been reached, and that M. Litvinov was no more definite than himself as to what course should be taken.

M. Barthou went on to say that he fully appreciated that it was only his negative position that was definite at present. He earnestly begged me to believe that this did not mean that the French Government were preparing some surprise manœuvre for May 29. He knew that I had treated him with the utmost frankness and he was determined to be no less frank in return. He was returning to Paris and would have to address the Foreign Affairs Committee of the French Parliament on Friday next.<sup>1</sup> In the interval, therefore, the French Government would have to determine upon their positive course. It might be that agreement could be reached on the basis of the resumption of responsibility by the Council. That was at present, however, of course, only a possibility. Such a method might, however, be useful for future work. He said that his own diagnosis for the future of the Conference was '*entre le miracle et le désespoir*'.

M. Barthou expressed himself as well satisfied with the progress recorded so far in the Saar negotiations. I will telegraph further on this subject after the Council meeting this afternoon.

<sup>1</sup> May 25.

*Minute by Sir R. Vansittart*

[W 5017/1/98]

FOREIGN OFFICE, *May 24, 1934*

The Italian Ambassador came to see me this morning and said that he had been instructed by his Government to put to me, in the absence of Sir John Simon, several questions.

The first was: Did His Majesty's Government contemplate making any new proposals or taking any further initiative at Geneva? I replied that His Majesty's Government had no such intention, nor did I see that, so far as we were concerned, there was any need, or indeed possibility at this stage, of a further initiative. We had put forward a number of proposals on more than one occasion, and on these it had unfortunately not been possible to secure agreement. The French Government in their last note had referred the issue back to Geneva, and unto Geneva we should go, like the Italian Government, as indeed we had agreed on the occasion of our interview with Signor Suvich; and France having referred back to Geneva, it was in my opinion for France to make the next move there.

Signor Grandi said that he well understood, and indeed agreed with, this point of view. Signor Mussolini was, however, most uneasy at the prospect of what might take place in Geneva. He had therefore further instructed Signor Grandi to enquire whether an adjournment until the autumn was not possible. He added that the Germans were also very anxious as to the prospects at Geneva, and that I should shortly be receiving a visit from Herr von Hoesch. I replied at once that in my judgment no such adjournment was possible. In the past such adjournments had been natural and practical, inasmuch as there were still prospects of urging agreement by bilateral conversations and concrete proposals. Now there was nothing on the table to warrant such an adjournment, and I thought it would be very difficult for Mr. Henderson to agree to an indefinite postponement in such conditions, nor did I think it would be a dignified or proper proceeding. Apart from the position of Mr. Henderson, moreover, I did not think for a minute that the French would agree to it. As I understood their attitude, they had been so alarmed by overt, and still more by covert, German rearmament that they did not wish to tie their hands. An indefinite postponement of the Disarmament Conference would simply result in handicapping everybody else, while the German rearmament proceeded on its way unhindered and at an intensified rate. And even if the President of the Conference and the French Government were to assent to such an adjournment, I considered that there would be great impatience with it in this country. It was held in many, indeed in most, quarters here already that the Disarmament Conference had dragged on too long without producing any concrete result. It was time now to be realists, and such a proposal was not compatible with realism. I begged Signor Grandi to put this aspect of the

matter to Signor Mussolini, because I knew it was particularly to realism that Signor Mussolini had always attached weight in foreign affairs. Indeed, I did not think the present suggestion was even compatible with Signor Mussolini's own reputation in this sphere. Signor Grandi replied that he thought that these arguments were sound and convincing. He asked me then if I had any information as to the line the French would take at Geneva. I replied that I had no information, but that plenty of speculation was possible. I would hazard a guess that their inevitable explanation of their attitude would involve some equally inevitable criticism of Germany, and I knew that that was precisely the apprehension which Signor Mussolini, Herr von Hoesch and Herr von Ribbentrop had had in mind.

Signor Grandi said that what Signor Mussolini was afraid of was an acrimonious or vituperative turn of the Conference. This would make further negotiations impossible, and he still believed in further negotiations. I said that criticism did not necessarily mean vituperation or abuse. Everything would turn not only on the substance but on the tone adopted by France at Geneva.

Signor Grandi asked me if I had any other forecast to make. Signor Mussolini was afraid, he explained, that France would raise the question of security without providing for any disarmament. I said that I thought it quite possible that France would raise the question of security, but did not see why, in such an event, the subject of disarmament should fall out of account altogether. The French had, indeed, some warrant for alleging that, from their point of view, the recent course of discussion had dwelt more on disarmament than on security. They might prefer to begin with the other end of the stick, but there were always two ends to the stick. In any event, I did not think that public opinion, either in Signor Grandi's country or in mine, would welcome any proposals of security which did not include or imply at least some measure of disarmament as well.

It was, however, I went on, really useless for either of us to speculate, or to lay plans in advance. We needs must wait to see how matters developed, and what precise line the French took at Geneva. I repeated that on this point I had no reliable information, and I doubted, indeed, whether the French had yet actually made up their own minds.

Signor Grandi then read and endorsed to me a paragraph from his telegraphic instructions, in which Signor Mussolini declared that never was co-operation between Italy and England more necessary than at present. I agreed with that, but I added that it would be still more necessary after the 29th of this month, when we saw how the land lay. It would probably be new land, and difficult and ominous country. I would, however, repeat what I had said just now about realism. It was of no use whatever to shut one's eyes to facts; even if such a disposition still lingered in any quarter, the facts would soon speak for themselves. I instanced the experiences of the correspondent of the 'Daily Express', who had been arrested because he had come across a series of German underground military aerodromes. The fact we had to reckon with was that German rearmament, particularly in the air,

was proceeding at a pace which justified grave apprehension, and was already passing the point where any comfortable explanations of it would be generally deemed valid. The public here were becoming increasingly alive to the situation, and I drew his attention, as an instance, to this morning's 'News Chronicle', which happened to be lying on my table, in which it was indicated that Labour was certain to be induced or compelled by the logic of events to abandon, in self-defence, its previous attitude of pacifism. It might be that some further proposal, even at the eleventh hour, might emerge from Geneva. We would continue to hope so until it proved otherwise, and both during and after Geneva I hoped that our representatives would act in the closest co-operation, and that Signor Suvich himself would attend.

Signor Grandi said that Signor Mussolini had sent him instructions on one further point. He did not apparently like the idea of terminating the Conference by remitting the future to the Council of the League. He wished to keep the Conference in being somehow, with a view to future negotiations. I replied again that only events could show us how to proceed in this matter. This was simply a point of tactics. We should know better in ten days' time whether it were still possible to keep the Conference in being, or whether some decent conclusion must be sought for it. If a conclusion had to be found, it might be difficult to find a better.

Signor Grandi, in parting, reiterated his Government's desire to co-operate with His Majesty's Government. He said he would telegraph to Signor Mussolini the replies which I had given to him, and that he would return tomorrow to discuss other questions.<sup>1</sup>

R. V.

<sup>1</sup> The substance of this minute was telegraphed to Rome on May 25 in Foreign Office telegram No. 181.

No. 430

*Minute by Sir R. Vansittart*

[W 5059/1/98]

FOREIGN OFFICE, *May 24, 1934*

As foreshadowed by Signor Grandi this morning the German Ambassador came to see me this afternoon to press for an adjournment of the Conference at Geneva. He said that while Herr von Ribbentrop had been in London he had understood from the Secretary of State that such an adjournment might not be out of the question, and that since then Herr von Ribbentrop had been in Rome and had found Signor Mussolini in agreement with this idea or had persuaded him to adopt it. I said that I was aware of this, since I had discussed with Signor Grandi that very matter this morning.

I had given Signor Grandi three reasons why I thought such an adjournment was not possible, and I would in all frankness give them to Herr von Hoesch, as well. I thought it probable that Herr von Ribbentrop had been

mistaken in his understanding of the attitude of the Secretary of State towards such a proposal. I did not know that the point had been touched upon between Sir John Simon and Herr von Ribbentrop, but ever since the last French note I had always believed it to be the view of the Secretary of State that, the French having referred the question back to Geneva, we should all naturally have to go there, and that it would then be for the French to take the initiative in the impending discussions. I had believed this to be Sir John Simon's attitude, and it seemed to me to be the only possible or logical one for three reasons. The first was that an adjournment might have been possible if there were upon the table some practical proposal or if bilateral negotiations were proceeding, which held out some prospect of materialising. At present nothing of the kind was the case, and in such circumstances I did not see how Mr. Henderson could be expected to consent to such a course. Indeed I thought it would be hardly a dignified proceeding from his point of view.

Secondly, even if Mr. Henderson were to see his way to adopt such a course, there arose at once a far more formidable difficulty, and that was that I thought the French would be quite uncompromising on the point. Surely, having referred back to Geneva themselves, they would not lightly abandon their own previous insistence.

Thirdly (and here I was speaking purely personally), I did not see how it could be made compatible with the interests of His Majesty's Government to assent to Herr von Hoesch's suggestion. He no doubt had ample opportunity of judging the development of public opinion in this country, both in the press and otherwise, and he would certainly have noticed that there was a rising impatience with the continued prolongation of a Conference that had borne no result. It would be difficult enough for His Majesty's Government to propose, or assent to, a further postponement, even if concrete proposals were on the table. It would seem to me completely impossible for them to do so without incurring much and merited criticism from all sides, if there was nothing on the table at all.

Herr von Hoesch continued to press Herr Hitler's idea with praiseworthy tact and insistence, but he admitted that he saw the force of these three considerations. He added, however, that he hoped we would consider whether the consequences of holding the meeting might not be even more uncomfortable. He said that he and his Government anticipated that the French would press us very awkwardly in the matter of security, and would endeavour to frighten the British public into rearmament and alliance by painting the dangers of German armament in lurid colours.

I said, however, that we should have to meet the situation at Geneva as it developed there. I quite understood that he and his Government would have preferred the solution of an adjournment had it been practicable, but I held out to him no prospect that we should reconsider our attitude in this respect. As to his apprehension of the difficulties that would arise if the French took occasion at Geneva to impugn the German Government in the matter of rearmament, I said, as I had said to Signor Grandi earlier in the day, that

much will depend not only on the substance of the French case, but on the terms in which they handle it, and I saw no reason to assume in advance that this should be done in a way which would necessarily embarrass us. In any case, I feared that speculation of this kind was useless, since we all seemed to me to be irrevocably committed to putting in a due appearance at Geneva.<sup>1</sup>

R. V.

<sup>1</sup> A copy of this minute was sent to Berlin on May 30 under cover of Foreign Office despatch No. 585.

**No. 431**

*Minute by Sir R. Vansittart*

[C 3222/247/18]

FOREIGN OFFICE, May 24, 1934

At the conclusion of his interview with me this afternoon, in which he had suggested the postponement of the meeting at Geneva, Herr von Hoesch turned to another point which he said had also arisen out of Herr von Ribbentrop's conversations with the Secretary of State. In that conversation, Herr von Hoesch remarked, Sir John Simon had asked Herr von Ribbentrop whether the German Chancellor was still ready to conclude pacts of non-aggression with his neighbours in general and with Belgium in particular. Herr von Ribbentrop had replied, so the German Ambassador said, that he was not competent to give an answer on this subject without having first consulted Herr Hitler. He had now done so, and the Chancellor had accordingly instructed Herr von Hoesch to inform the Secretary of State that the German Government would be delighted to enter into such a pact with Belgium. It would not, in Herr Hitler's opinion, be possible for the German Government to take the initiative in this matter. He would, however, be really grateful if the British Government would do so and carry the idea further by speaking to the Belgian Government.

I told Herr von Hoesch that I would of course repeat what he said to the Secretary of State, and Herr von Hoesch added that he was most anxious to see the Secretary of State himself before he left for Geneva, if an interview on either Friday<sup>1</sup> or Saturday should prove possible.

R. V.

<sup>1</sup> May 25.

**No. 432**

*Sir J. Simon to Sir E. Phipps (Berlin)*

No. 579 [W 5076/1/98]

FOREIGN OFFICE, May 26, 1934

Sir,

The German Ambassador called on me today to urge the expediency of adjourning the Disarmament Conference at Geneva. He said that he had

understood from Herr von Ribbentrop that I had indicated that such an adjournment might not be out of the question, and that Herr von Ribbentrop had upon this reported to Chancellor Hitler, and had then been sent to Rome, where Signor Mussolini approved the idea. Signor Grandi had been instructed in this sense by Signor Mussolini.

2. I explained to the Ambassador that the basis for all these suggestions did not exist. Herr von Ribbentrop was quite mistaken in his impression that I had given any encouragement to the idea of adjournment. I had already seen Signor Grandi and told him that this did not seem a practical course, and I thought that the Italian Ambassador well appreciated my reasons. I added that I took note of the fact that the German Government, though it had withdrawn from the Disarmament Conference, would like to see the Disarmament Conference merely adjourned, but I was bound to say that I did not think its view would necessarily commend itself to us, especially as the interval that had passed since Germany's withdrawal had been accompanied by such incidents as the publication of Germany's budgetary proposals for rearmament.

3. My reasons for thinking that mere adjournment next week at Geneva was not desirable were the following: First, the French, after receiving our recent note and dealing with it in a negative manner, had referred the disarmament question back to Geneva. Presumably, therefore, M. Barthou would take the initiative and make a full statement there. What would follow thereafter was uncertain, but a proposal to adjourn was only useful if some parallel negotiations were proceeding or were in prospect. Secondly, Mr. Henderson would, I thought, be unlikely to approve mere adjournment in the present circumstances. But there was a third reason which operated powerfully upon His Majesty's Government. There was a rising impatience with the continued prolongation of a conference that had borne no result. Not only would British opinion not favour adjournment without a definite reason, but British opinion would be entirely justified in its objection.

4. Herr von Hoesch said that Germany's interest in the matter was that she feared that discussions at Geneva in present circumstances might lead to the heightening of tension and endanger the prospects of calm relations. The French, he suggested, were doing everything in their power to force Great Britain into an attitude where she would ultimately embrace an Anglo-French alliance as the best way out of increasing difficulties. The Ambassador would deplore such a result, which would be quite contrary, he considered, to the spirit we had shown in trying to produce general reconciliation. I observed that Chancellor Hitler had not so long ago spoken of his willingness to see an Anglo-French defensive alliance.

5. The Ambassador referred to an enquiry which I had made when Herr von Ribbentrop was here as to whether the Chancellor's declaration of Germany's willingness to enter into non-aggression pacts with her neighbours still stood, and whether, for example, this applied to Belgium. Herr von Hoesch said that my enquiry had been reported to Chancellor Hitler, and that he was now instructed to reply in the affirmative. Germany could not

approach Belgium direct on the subject as she had not been asked by Belgium about it, but if we thought it would be useful to carry the idea further by speaking to the Belgian Government, the German Government would be very willing that we should do so. I thanked the Ambassador, and promised that now that I had this information the matter should be further considered.

I am, &c.,  
JOHN SIMON

No. 433

*Sir E. Phipps (Berlin) to Sir R. Vansittart<sup>1</sup> (Received June 1)*

*No. 112 Saving: Telegraphic [C 3398/29/18]*

BERLIN, May 30, 1934

My telegram No. 111 Saving,<sup>2</sup> paragraph 4.

The friction to which Baron Neurath referred is due first and foremost to the dispute between Hitler and Röhm on the major question of the S.A.

The Reichswehr and the President are convinced that Germany would stand a much better chance of getting her 300,000 army and her other defensive requirements from the French and ourselves if the S.A. were made invisible. Hitler is disposed to agree. Hence his stoppage of irregular military training and his talk of not recalling the great body of the S.A. after their July leave. To this Röhm replies that Hitler is putting his neck in a noose if he trusts himself to the Reichswehr before the army has really gone Nazi.

The party leaders realise that in this and in other questions of foreign policy such as relations with Russia and the Jews the interests of the country and those of the party tend to conflict. The Franco-Russian *rapprochement* and Russia's possible entry into the League are severe disappointments which the country is not taking at all well.

Further causes of friction are, the policy to be adopted towards the Jews, in view of the foreign trade slump, the recent decree tying agricultural labourers to the land, and the Stahlhelm dispute (see my despatch No. 629<sup>3</sup> of today's date).

Repeated to Geneva.

<sup>1</sup> Sir J. Simon left London on May 27 to attend the meetings of the Bureau and the General Commission of the Disarmament Conference at Geneva, and an extraordinary session of the Council of the League of Nations.

<sup>2</sup> Not printed. In conversation with Sir E. Phipps on May 29 Baron von Neurath referred to friction inside the National Socialist party, and stated that Herr Hitler had recently given orders that all military exercises of the S.A. should cease.

<sup>3</sup> Not printed. This despatch reported on the friction between the Stahlhelm and the S.A.



No. 434

*United Kingdom Delegate (Geneva) to Foreign Office (Received May 31)*

*No. 62 [W 5239/1/98]*

GENEVA, May 30, 1934

The United Kingdom delegate to the League of Nations presents his compliments and has the honour to transmit the record of a conversation between Sir John Simon and Mr. Henderson on the 28th May respecting disarmament.

A copy has been sent to His Majesty's Ambassador in Paris.

ENCLOSURE IN No. 434

*Record of a Conversation between Sir John Simon and Mr. A. Henderson, at the  
Hôtel de la Paix, Geneva, on Monday, May 28, 1934*

Sir John Simon called on Mr. Henderson today. Mr. Eden took part in the conversation. Mr. Strang was present.

Mr. Henderson said that he had seen Mr. Norman Davis the previous evening. Mr. Norman Davis was anxious that the Conference should go on, and would make the first speech at the General Commission on the 29th May. Mr. Henderson had found no support for the proposal, which the French seemed to favour, that the Conference should admit its incapacity and return its mandate to the Council. He himself was opposed to it. In his own view the Conference ought to go on and see what points of substance it could agree upon for inclusion in a convention. If points of substance could be found, the Germans would probably be prepared to come back to Geneva to work out the details. The reason why the Germans would not come back now was that they did not want to have to withdraw a third time.

Mr. Eden asked how it was possible for any agreement to be reached in view of the fact that the French would not agree to any immediate German rearmament, while the Germans would not agree to a convention which failed to authorise some immediate German rearmament.

Mr. Henderson said that the French had never shown their hand as to the amount of reduction they would be prepared to agree to. In their view the measure of security afforded to them would be the measure of the reduction which they would be prepared to accept.

Sir John Simon pointed out that it was clear from the documents that there were no circumstances in which the French would be prepared to agree to a convention authorising immediate German rearmament. The French did not say that they would agree to German rearmament provided that France was not asked to disarm; nor did they say that they would agree to German rearmament if adequate security were given to them. In his letter of the 10th April he had given them every opportunity of stating their requirements in the matter of security, and they had failed to do so. This was a fact which had to be faced.

Mr. Henderson said that this might be so, but the latest French proposal was that the Conference should return to the position of the 14th October.

Sir John Simon reminded Mr. Henderson that, in the suggestions of the 14th October it was provided that there should be no immediate rearmament by Germany. In any event, the situation had changed since the 14th October, and no agreement was possible on that basis. When the French said they wanted to return to the 14th October they meant that they wanted to continue to deny Germany's right to rearmament. He himself was afraid that the French did not want an agreement. They did not trust Germany, and did not think that supervision or guarantees of execution were a sufficient safeguard. Further, they thought that His Majesty's Government, in the event of German rearmament, would realise their own danger and draw nearer to the French. The French also apparently thought it likely that the Hitler régime would not survive.

Mr. Henderson said that this idea was put about by German *émigrés* in Paris, and was quite unfounded.

Sir John Simon repeated that the question was whether or not the French really wanted an agreement.

Mr. Henderson said he could quite imagine that they might be satisfied with no agreement. Influential members of His Majesty's Government had said that, in the absence of an agreement, the United Kingdom must increase its armaments, and the more the British built the more the French would like it. The only solution was a world agreement embodying both security and disarmament. In the absence of these two elements the Germans would not come in.

Sir John Simon remarked that neither would they come in in the absence of some measure of rearmament. What chance was there of the French agreeing to this?

Mr. Henderson said he remembered fighting the French in 1924 for weeks on end. At the last he had declared that he had said his final word, and the French had given way. They would do the same now. He had asked M. Barthou whether the French cared for security for anyone but themselves, but M. Barthou had refused to answer.

Mr. Henderson went on to say that Mr. Norman Davis was in favour of the Conference going on to build up a convention including disarmament. He was prepared to ask the United States Government to make the same declaration in regard to guarantees of execution as they had made in regard to violations of the Pact of Paris, but this would only be in the event of the conclusion of a convention containing some disarmament.

Mr. Eden pointed out that Herr Hitler had suggested that the French should not disarm until the end of five years. If they would not accept this, what would they accept?

Mr. Henderson said that the danger he foresaw was that the French might propose a convention providing for limitation for ten years, without recogni-

tion of German rearmament. He did not like this proposal. The period should be not ten but four to five years at the most; and two years before the end there should be a new conference to review the situation. This would be better than complete defeat. In addition, a good many things might be saved from the wreckage, such as the Permanent Disarmament Commission, the prohibition of chemical warfare, the security provisions of Chapter 1, the no-resort-to-force declaration, the definition of the aggressor, and an air enquiry by the Permanent Disarmament Commission. The important thing was to get away from the idea that delegations had come for the funeral of the Conference.

Mr. Henderson added that M. Barthou would follow Mr. Norman Davis, and he would like Sir John Simon to follow M. Barthou. As the speeches would be in public, it would be better if Sir John Simon would state His Majesty's Government's position than that he should draw attention to the deadlock the French had produced. He would suggest to the Bureau that afternoon that the proceedings of the General Commission on the 29th May should be broadcast to the world by wireless. If the French were isolated the world would know it.

Mr. Eden thought that the French had a very strong case for maintaining a rigid attitude.

Mr. Henderson added that, as regards procedure, he thought of suggesting that security and disarmament might be taken concurrently, the former being referred to the Political Commission and the latter being dealt with by the General Commission itself. He thought the French would probably wish to concentrate upon security alone. He himself thought it important to take the two subjects concurrently.

Sir John Simon said he thought it right that the two subjects should be associated. In the French mind security had nothing to do with disarmament. Security was only interesting to them to the extent to which it would assist them against Germany. If an attempt were made to combine security with equality of rights, the French would have none of it. Their attitude now was that under no conditions would they agree to German rearmament.

Mr. Henderson said he thought it would be as well for a time to drop all talk about equality of rights, but to reach it by an indirect method. Figures relating to German rearmament should be put into the convention so that the Germans could see what they would receive, and before long they would be back again.

Mr. Eden asked whether aeroplanes for Germany would be entered in the convention.

Mr. Henderson said he thought not, as aeroplanes had not been agreed upon in the course of the exchanges.

Mr. Eden asked whether Mr. Henderson proposed that the convention should state the number of 6-inch guns to be authorised for the German short-term service army. The French would never agree to this.

Mr. Henderson said that he thought that by following this method it would be possible to avoid obliging the French to recognise German rearmament beforehand. The figures in question might be a little above the Versailles level and they would be presented to Germany to take or leave. The French were afraid of words and principles. Figures would be more easy for them to defend before their public. At the same time they could say that they had obtained some security in return. Further, they would not have to destroy their heavy weapons for five years, and in the second five years they would carry out the programme of reduction.

Sir John Simon said he hoped that Mr. Henderson would persuade M. Barthou to take this jump. It might be well for him to say to M. Barthou with all his authority as President, that he expected M. Barthou to state the French position fully and clearly; and that, if the French proposal was simply to go back to October, it would meet with considerable objection. Sir John Simon's own view was that it would be a mistake to continue the Conference for reasons of form only and to go on pursuing empty discussions. The only justification for continuing the Conference would be the hope of getting something done. Mere talk would serve no purpose whatever.

#### No. 435

*United Kingdom Delegate (Geneva) to Foreign Office (Received May 31)*

*No. 63 [W 5240/1/98]*

GENEVA, May 30, 1934

The United Kingdom delegate to the League of Nations presents his compliments, and has the honour to transmit the record of a conversation between Sir John Simon and Mr. Norman Davis, on the 28th May, respecting disarmament.

A copy has been sent to His Majesty's Ambassador at Paris.

#### ENCLOSURE IN NO. 435

*Record of a Conversation between Sir John Simon and Mr. Norman Davis at the Hôtel des Bergues, Geneva, on Monday, May 28, 1934*

Sir John Simon called on Mr. Norman Davis today. Mr. Hugh Wilson and Mr. Eden took part in the conversation. Mr. Strang was present.

Mr. Norman Davis said that he had seen M. Barthou in Paris on his way through to Geneva. He had not been able to obtain any clear idea of what M. Barthou proposed to say at the General Commission on the 29th May, but he assumed that he would follow substantially the same line as that taken in his speech in the Chamber on Friday last.<sup>1</sup> M. Barthou had spoken to him with apparent favour of a suggestion that the Conference should return its mandate to the Council, which would then appoint a disarmament com-

<sup>1</sup> May 25.

mittee upon which the United States and the U.S.S.R. could serve. M. Barthou's information was that the Soviet Government would probably be willing to serve.

Among the things which M. Barthou had said to him were that the French were anxious to secure a convention and were not without hope that some concrete basis might be found at Geneva. French policy had been consistent since October last, and the note of the 17th April was in perfect accord with that policy. M. Barthou quite realised that His Majesty's Government had been disappointed at the terms of that note, but he understood that they had now come to understand the strength of the French case. M. Barthou had explained that a proposal was on foot for the conclusion of a regional pact of mutual assistance, to include among others France and the Soviet Union. Great Britain and Italy were not among the countries mentioned by M. Barthou in this connexion, and Mr. Norman Davis understood from M. Barthou that the latter realised that the accession of Great Britain to such a pact was out of the question. The pact would be in the nature of an Eastern Locarno. M. Barthou had also in mind another similar pact, in the nature of a Mediterranean Locarno, to be concluded between Turkey, Greece, Italy, France and the Balkan States. M. Barthou did not expect that His Majesty's Government would become full parties to this pact either, but he thought that they might in some way lend it their moral authority in much the same way as the United States might be expected to do.

Mr. Norman Davis said that he himself regarded the French note of the 17th April as a piece of bluff. The French Government wished to show their teeth to the German Government, and at the same time to bring home to His Majesty's Government the seriousness of the position as regards German rearmament. The French, in his view, were counting first on the instability of the present régime in Germany, and secondly upon the certainty that, if the threat from Germany became severe, His Majesty's Government would be on the side of France.

Mr. Norman Davis had seen Mr. Henderson that morning. The latter had in his mind the possibility (1) of drafting the outline of a convention at Geneva in terms which might be acceptable to Germany, whereupon Germany would return to Geneva to help in working out a convention in detail; (2) of remitting security questions to the Political Commission of the Conference. Mr. Norman Davis thought that the first would be a futile performance. The second would, he thought, be equally futile.

Sir John Simon drew Mr. Norman Davis's attention to the last paragraph of the French reply of the 17th April, where it states that the work of the Conference should not be abandoned, but taken up at the point at which the Conference left it when it invited Governments to proceed to an exchange of views outside the Conference.

Mr. Norman Davis said that this passage would help him in making a point which he proposed to put in his speech to the General Commission on the 29th May. He would suggest that, as it was the French who had asked

for the General Commission, it would therefore be for the French to suggest what they thought the General Commission should do.

Sir John Simon also drew his attention to the question put to the French Government in his letter to the French Ambassador of the 10th April, namely, whether the French Government would be prepared to accept as the basis of a convention the United Kingdom memorandum of the 29th January, as modified in accordance with the Hitler proposals. One of those proposals was the postponement of the reductions of the armaments of other Powers until the end of the fifth year of the convention. This was a point which the French persistently overlooked, in asserting that they were being asked to agree to the immediate disarmament of France simultaneously with the immediate rearmament of Germany.

Mr. Norman Davis appreciated this point, and agreed with Sir John Simon that the essential problem before the Conference was to reconcile if possible a French refusal to agree to a convention authorising and legalising immediate German rearmament with a German refusal to agree to a convention making no provision for immediate substantial German rearmament. Mr. Norman Davis also agreed that the worst thing that could happen would be for the Conference to go on talking without aim or object, and that if it was to continue it should do so on a basis of some concrete and fruitful proposal.

Sir John Simon asked whether Mr. Norman Davis approved the suggestion that the Conference should occupy itself with security instead of disarmament.

Mr. Norman Davis replied that he did not. In fact, he proposed in his speech to make the United States position as regards security clear beyond possibility of doubt. He proposed to reaffirm the statement he had made last May in regard to the American attitude in the event of breaches of the Kellogg Pact, and to explain that when that declaration was made it was made on the assumption that there would be a convention making provision for disarmament. He also proposed to raise the question of the control of traffic in arms. The United States Government at present had no power to control the export of arms, and the best way for it to obtain such power might be through the conclusion of an international treaty, in that under the United States Constitution international treaties overruled municipal law.

Sir John Simon said that in that event it would be as well for Mr. Norman Davis to know that, according to his own information, United States firms were exporting war material to the provincial Governments of China. The practice of His Majesty's Government had been to refuse all permits to export arms to China unless import was authorised by the Nanking Government.

Sir John Simon asked Mr. Norman Davis whether he thought there were any parts of the convention which the Conference might save from the wreck. Could it include an agreement on the basis of Part I or could it define the aggressor?

Mr. Norman Davis bluntly rejected both possibilities. He went on to say that in his view things had now to be brought to a head. Was an agreement possible or was it not? If so, let it be made; if not, let the fact be recognised. He was not himself entirely convinced that, in spite of the present deadlock, some agreement might not be reached. If the United Kingdom and United States delegations could come forward with concrete proposals it might yet be possible to save the Conference. In his view the French Government might perhaps be brought at the last minute to admit some measure of German rearmament.

No. 436

*Speech of Sir John Simon in the General Commission, May 30, 1934*

[W 5242/1/98]

There is no one here who is not profoundly impressed with the gravity of the position in which the Disarmament Conference stands, and not only the Disarmament Conference, but the whole system of co-operative effort which has been the basis of international politics since the War, and in which the prospects of continued peace in the world are so largely bound up. The President has asked us for an expression of our views, but if speeches are to be useful they must deal with the realities which now face us. It is therefore to some of those realities that I propose to address myself.

First, let us fix the point in our long-drawn-out procedure which the Conference has reached. We who have been members of the Conference throughout and have taken constant part in it know the story well, but it is very necessary that the world outside should appreciate what is the actual position at which we have arrived. And, indeed, it is all to the good that we ourselves should avoid being entangled in the endless detail and mark down the essential governing fact. The essential fact is this: Last November the Bureau of the Disarmament Conference unanimously decided that the work of the Conference must be suspended for a period in order to permit of parallel and supplementary efforts being carried on between different States, mainly through the diplomatic channel. His Majesty's Government in the United Kingdom have, during the last six months, been very closely associated with these efforts. I have no intention of wearying the General Commission with a detailed recital of the part they have played, but I would recall to your attention—

- (1) the United Kingdom memorandum of the 29th January,
- (2) the visits of my colleague, Mr. Eden, to Paris, Berlin and Rome,
- (3) the written statement textually approved by the German Government which we obtained of the modifications in our memorandum, which Germany was prepared to accept, and which included the concession to heavily armed Powers that there should be no disarmament for the first five years of a ten-year convention, and
- (4) the efforts which we have made to ascertain whether there were any

conditions in which this combination of proposals could be made the basis of agreement.

I need hardly say that His Majesty's Government have throughout kept Mr. Henderson promptly and closely informed of every step in the course of these events. I am grateful to my friend, Mr. Davis, for what he said yesterday as to the value of the efforts we have made, but these efforts have not produced a new basis of agreement, and the President pointed out to the Bureau the day before yesterday—I quote his words—that, 'in view of the opinion expressed in the French memorandum of the 17th April, it seemed that the diplomatic negotiations between the Powers could hardly be carried on any further'. We therefore now have to face in the General Commission the actual situation which emerges. We must do it without recrimination and without self-justification, for the situation is far too serious to make either state of mind tolerable.

These diplomatic negotiations having terminated without producing a new basis of agreement, it is necessary to recall why they were ever entered upon. They were entered upon because in November last the Disarmament Conference found itself in a position in which it could not proceed to the second reading of the Draft Convention with any solid hope of thereby reaching universal agreement. Germany was absent; some method had to be found which would keep her in touch, in the hope of bringing her back within the ambit of discussion and negotiation with a view to ultimate agreement. For we have to face the plain and simple fact that an international agreement about armaments necessarily involves, amongst other things, that Germany should be a party to it. I remind the General Commission that the French memorandum of the 19th March quoted from a previous United Kingdom memorandum the phrase 'that a reconciliation of the points of view of France and Germany is the essential condition of general agreement', and the French Government expressed its concurrence in this proposition. What are the essential differences which divide these two points of view as they emerge from the documents which have been exchanged between various Powers and which are now published and available to the Conference? In its statement of views of the 16th April the German Government defines the rearmament for which it stipulates in the proposed Convention, at the same time declaring that it would agree to the postponement of the reductions of armaments of other Powers until the end of the fifth year of a ten years' convention. If, therefore, an international agreement is to be reached, either this claim must be modified, or this claim must be conceded. We may hold the view that Germany's withdrawal from the Conference was unjustified, and that her action since that time about armaments has yet further aggravated the situation—but all that does not alter the issue to be determined. If we really desire to do business in the Disarmament Conference, it is essential that this issue should be faced and dealt with now by those principally concerned. Germany claims that the Convention, if it follows the general lines which have already been approved by the vote of the General Commission, should accept a level of German armament, higher than that



provided in the Peace Treaties to the extent indicated in the document of the 16th April. The question is—is that a possible basis of international agreement?

On the other hand, it appears from the documents which have been exchanged in the course of these diplomatic communications that France would desire to stand fast by the limits suggested at the meeting of the Bureau on the 14th October last, with the modifications contained in the French memorandum of the 1st January. The suggestions of October propounded a basis which would have admitted no immediate rearmament of Germany other than an increase in quantities, proportionate to the gradual transformation of the Reichswehr, of arms which she is by treaty entitled to possess. Germany has rejected that suggestion, and the contrast between that proposal and the formulated requirements of Germany of the 16th April is obvious. We must therefore put to ourselves the same question as to the suggestions of October. Are those suggestions in present circumstances a possible basis of international agreement?

I have ventured to put these crucial issues bluntly before the General Commission, because we shall make no progress by avoiding them or burying them beneath merely general observations. The only thing that matters now is agreement. The only thing that matters now is to find out if there is a possible bridge to be built between conflicting points of view, and what is the contribution we must respectively make to construct that bridge. His Majesty's Government have done their very best to be bridge builders; by the end of this general debate we ought to see more clearly where the foundations for such a bridge must be laid if the gap is to be closed. We can see already how overwhelmingly grave the consequences must be if, after all this effort and these prolonged debates, no bridge can be built.

I must make it clear that, in the opinion of His Majesty's Government, the Draft Convention which, as the President reminded us yesterday, the Conference has adopted as the basis [of agreement], still affords the best solution. Realising, however, the serious consequences of a failure to reach agreement, we determined to formulate, as a result of our own experience and enquiries, those modifications to the Draft Convention which appeared most likely to provide a basis of agreement. Those modifications found expression in the Memorandum of the 29th January. That Memorandum, as we have explained throughout, contained proposals which we ourselves regarded not as ideal, but as most likely of acceptance. The close approximation between that Memorandum and the German declaration which I have already referred to shows that differences were being narrowed. We still feel that the line of that Memorandum is more likely to produce agreement than any other concrete proposal. Indeed, I will go further; unless it is possible for the Conference to agree upon suggestions such as those in the Memorandum or something very like them, then I do not myself believe that a Disarmament Convention can be realised.

His Majesty's Government are strengthened in that judgment by the most interesting memorandum put forward by the Danish, Spanish, Norwegian,

Swedish and Swiss Delegations at this Conference. The main conclusions of that document seem to us to be in close accord with those of the United Kingdom Memorandum. They point out that the Convention will have to be limited to certain branches of armaments—for example, the problem of naval armaments should be left to the Naval Conference of 1935 and its outcome. Secondly, they insist that the Convention must contain a measure of disarmament, if not coming into force immediately, at any rate provided for within its ambit. Thirdly, they take the realistic view that, in present circumstances, the Conference will have to take into account in conventional form the situation resulting from a *de facto* rearmament; and, fourthly, they consider that the Convention will have to contain some proposals under the head of security. It is true that, in the view of these Powers security should go beyond the proposals of the United Kingdom Memorandum; that is a question not of principle, but of degree, and I must point out that Part I of the United Kingdom Draft Convention deals with security along lines on which we may hope for the sympathy and co-operation of the United States. We have all noted with great attention the important statement which Mr. Norman Davis made on this subject yesterday.

As to the topic of security, there are two observations which I would venture to make at this moment. M. Litvinov yesterday roundly declared that the Disarmament Conference, so far as the direct object of disarmament is concerned, was manifestly dead, but he went on to say that the Conference should continue in being not because there was any hope of agreement about disarmament being attained, but because, though this hope had disappeared, some pact of security could be evolved. Now it must be borne in mind that even in 1924, when the Protocol was under discussion, no instrument of security was contemplated as coming into operation until a disarmament agreement had been reached. By Article 21 of the Protocol its coming into force was made to depend entirely upon the adoption of a plan for the reduction of armaments. Indeed, by the terms of that article the failure to reach a disarmament agreement after a certain lapse of time was declared to make the proposed Protocol null and void. It would therefore be an entirely new departure to transform a conference called for the purpose of disarmament into a conference for devising plans of security on the basis that no disarmament at all is possible.

My second observation is that the value of security pacts depends not on the fact of the promise but on the certainty, if need arise, of positive performance by the signatories. From that point of view there may be a higher practical value in a limited undertaking of guarantee like the Treaty of Locarno than in some new unlimited and world-wide assurance. And as to Locarno, I think it is well understood that what His Majesty's Government have promised they will perform.

The Memorandum of the five Delegations, to which I have referred, ends by stating the dilemma which faces the Conference—either a limited but real reduction of armaments side by side with moderate rearmament, or pure and simple limitation at the *status quo* accompanied by rearmament on a larger

scale. I would put the alternative even more bluntly. We have to choose between the chance that remains of agreement on the lines I have above indicated and a breakdown in the whole of this vast effort, with the consequences of an unlimited competition in armaments and dangers to the future of the world which no man can measure.

It is easy enough for us to say that we are prepared to go on working. His Majesty's Government, who in the last six months have spent themselves in repeated efforts to secure agreement, are, of course, fully prepared to continue those efforts. But if we are to do justice to ourselves and to our responsibilities, these efforts must be such as can conduce to the successful issue of our work. If the agreement to go on is of value, we must be agreed upon what we are to go on to do. I wish I could feel that the principles I have enunciated, which find their place both in the United Kingdom Memorandum and in the Memorandum of the Powers to which I have referred, were generally acceptable to the Conference as a whole. If they were so acceptable, then they would be clearly a basis for work, and we could consider what modifications or additions are called for or possible. But if they are not acceptable, what other basis is there? I confess that I know of none which affords any possibility of leading to a convention which would be generally accepted. The time is long past when we can delude ourselves into imagining that by a pious expression of our desire to reach agreement we are promoting agreement. While we talk, the world does not stand still.

At the end of this debate, therefore, we have to determine not whether we will go on, but whether we are agreed upon a basis which makes it possible for us, as practical men, to believe that we are advancing to achieve a general disarmament agreement. His Majesty's Government are prepared to devote all their energy and weight to bringing about general international agreement on the subject of armaments if such agreement is in existing circumstances in any way possible to be achieved. We have shown our devotion to this cause in very practical fashion, and we have taken the risks of initiating concrete proposals again and again. We are still as convinced as ever that international agreement about armaments would be the greatest contribution which could be made to the restoration of confidence and the confirmation of peace, and we realise to the full the gravity of reaching no result. But while we will still co-operate in any new effort which really contains prospects of producing general agreement, there is one thing which we will not do and which we do not believe any government represented here would wish to do. We will not lend ourselves to the indefinite continuance of vague and inconclusive discussions justified by nothing better than the sanguine hope that after all something in the way of a solution may still turn up. We cannot do so for two reasons:—

First, we are convinced that such a procedure would inflict great and increasing injury on the League of Nations and on the whole conception of effective international action. We may seem to be creating a consoling feeling of activity, but in the world outside we should merely be confirming the impression of futility. The League idea has already suffered grievously

from the spinning out of abortive conferences, and the necessary work of the League, now and in the future, can only be well done if the nations and peoples of the world are satisfied that work done here is conducted in a practical spirit, and that if methods of reaching a world-wide and agreed conclusion are not available we should have the good sense to say so. Otherwise, the League of Nations and the whole conception of post-war co-operation will fall into grave discredit.

Secondly, if the Disarmament Conference were kept in being purely for the purpose of debate, but without any real hope or prospect of achieving positive result, we are in effect debarring ourselves from whatever new effort may be needed. If the Conference cannot make an effective move forward, world conditions are nevertheless changing. Europe has new dangers to face and governments cannot be debarred from dealing with them by the specious plea that governments are in conference at Geneva, if all that can be done is to make speeches.

As I have said, I most earnestly trust that the outcome of the present debate may be to provide solid grounds for believing that we can accomplish what we set out to do, and His Majesty's Government will exert themselves to the uttermost to that end. Is there not material, by combining such agreements as have already been reached with new concessions which must be made if we are not to fail, to reach the goal? And, in any case, cannot we, without further loss of time, put into effective shape protocols and make them ready for signature on two or three more limited but most important matters which appear to be ripe for prompt and effective treatment? I will mention three:—

First, *Chemical Warfare*, which is Part IV of the United Kingdom Draft Convention. A great deal of work has been done on this chapter, and amendments suggested are comparatively few. Surely a limited practical achievement actually realised on this topic is well within our grasp and would be of real value.

Secondly, *Budgetary Publicity*. The discussions have shown that there is much more difficulty about budgetary limitation than appears at first sight, but budgetary publicity is an essential preliminary condition, and it appears to me that it would be an achievement of real value to get this system established and approved and in operation throughout the world. There is a text already prepared by the Committee which has dealt with this matter and it is ripe for treatment.

A third example would be the setting up of the *Permanent Disarmament Commission*, as indeed the President suggested yesterday. Why cannot we do it now? It will be needed in connexion with both the matters I have just mentioned. Even if we cannot place upon it all the responsibilities which we have envisaged, it would be something accomplished as an immediate outcome of our labours. And it would not in the least obstruct, but, on the contrary, would encourage and assist, the wider agreement that is our main objective.

His Majesty's Government warmly welcome the reference made by Mr.

Norman Davis yesterday to the importance of dealing with the manufacture of and traffic in arms and munitions of war. In the specific case of the war between Paraguay and Bolivia, His Majesty's Government made proposals to other Powers for a complete embargo as long ago as last year. We are very glad indeed that there is a prospect of international action, for it is only possible to act effectively on an international agreement. On the general question, while much no doubt remains to be done, I do trust that there will be no avoidable delay, and I suggest that as a first step at least the Convention of 1925 might be at once ratified and brought into force. If that were done, the establishment of a system of control and publicity provided by the Convention would in itself be a most valuable contribution, and until it is done this essential element is lacking.

I would not be understood to limit myself to these suggestions, but I am profoundly convinced that the spectacle of actual achievement in a limited field would at this moment be of the greatest value, and I sum up the position of His Majesty's Government by declaring that while there can be no justification for going on in a spirit of pious and undefined optimism, there is the most urgent need of deciding now what we can do and doing it without delay.

If I have spoken too bluntly, the urgency of the world situation and the dark future that is before us if we dally and fail must be my excuse. We must introduce some realism into our idealism, and we owe it to ourselves and to one another, and to our President, who has pursued his heavy task with such unfailing devotion, to contribute the most candid expression of our views at this most critical juncture. I shall await with profound interest and anxiety the declarations of other speakers, for upon what we do now hang issues which may determine the whole future of mankind.

#### No. 437

*Mr. Patteson (Geneva) to Sir R. Vansittart (Received May 31, 9.30 a.m.)  
No. 34 L.N. Telegraphic [W 5203/1/98]*

GENEVA, May 31, 1934, 2.20 a.m.

✓ Following for Prime Minister and Cabinet from Secretary of State.

Mr. Henderson sent for me and Mr. Eden tonight and Mr. Norman Davis was also called into consultation. Mr. Henderson takes an extremely grave view of M. Barthou's intervention<sup>1</sup> holding that if this represents final French attitude further discussion at any rate at present is quite useless. At the moment he inclines to the view that he should hold no further meeting but announce that divergence of view which was made evident today requires a few weeks interval during which he would himself take soundings in various quarters and then definite decision would have to be reached whether conference must close down altogether. He is to see M. Barthou tomorrow morn-

<sup>1</sup> The reference is to M. Barthou's speech in the General Commission on May 30, immediately after that of Sir J. Simon. M. Barthou reaffirmed the French view in very strong terms.

ing and French may influence him in another direction but these are his present intentions. Mr. Norman Davis, Mr. Eden and I all thought that he was right in deciding that immediate drastic action of this sort was called for. One curious consequence of M. Barthou's outburst is that *procès-verbal* of his speech has been diligently edited so as to cut out the worst passages. Small Powers to whose memorandum I made reference in my speech are greatly perturbed, not because they did not welcome my reference but because they are afraid of their big neighbours. This seems to me one reason the more why discussion should be shut down.

No. 438

*Record of a Conversation between Mr. Strang and M. Massigli on June 1*  
(Received in Foreign Office, June 5)

[W 5380/1/98]

GENEVA, June 1, 1934

M. Massigli called to see me today. He said that he wished to explain to me, on a purely personal basis, some of the preoccupations of the French delegation at the present stage in the question of disarmament. I said that our conversations had, therefore, better be of a personal character on both sides.

In the first place, he said, the French delegation found the greatest difficulty in obtaining a clear idea of what our present proposal for a disarmament convention was. The details of the plan which we were at present apparently supporting were not gathered together in any single document, but had to be deduced from a number of documents, in particular the United Kingdom Draft Convention, the memorandum of the 29th January, the German statement of the 16th April, and Sir John Simon's letter of the 10th April. He mentioned as examples three points which ought to be made clear to the French delegation by the United Kingdom delegation, if not officially, at least in some semi-official manner. These were: First, it should be specifically stated that there was to be no French disarmament until the end of the fifth year of a convention. (I read him the relevant passages and said that there could surely be no doubt about this.) Secondly, it should be made clear what exactly the acceptance of Hitler's proposal as to aircraft would amount to in detail. He doubted whether we fully realised how heavy the German rearmament under these proposals would be. If the French machines in France and in the French North African territory were taken as, say, 2,000 machines, then the Germans would have 1,000. Thirdly, there was conflict between what we had said at the end of our memorandum of the 29th January about Germany's return to the League and what Hitler had said in his statement of the 16th April. We had stated that the return of Germany to Geneva and to the League ought to be an essential condition of agreement. Hitler had said that Germany's return to the League could only be dealt

with after the solution of the question of disarmament, and above all of equality of rights. Were we prepared to conclude a convention with Germany if Germany did not come back to the League? I said that he must certainly not assume that this was our attitude. It was desirable, he thought, that the total effect of all our proposals should be set down in as clear as possible a form in some single document. We referred to a number of passages in the published correspondence in the course of our talk, but I did not think it necessary to go through our proposals in detail.

He said, further, that it was not clear whether His Majesty's Government were prepared to accept Hitler's proposals of the 16th April as they stood, and if not, what was the 'further modification' which, as suggested in Sir John Simon's letter of the 10th April, these proposals might require. I replied that our having taken Hitler's proposals as the basis for the questions we had put to the French Government showed at any rate that we thought them a reasonable basis of discussion. The fact that one had to look at four documents instead of one certainly did make it difficult to carry in one's head all the details of the plan, but whatever utility there might be in gathering together the proposals in one document, this would not get over the essential difficulty which Sir John Simon had put with complete clarity in his speech at the General Commission, namely, that the French were apparently not prepared to conclude a disarmament convention which would authorise any measure of immediate German rearmament. Unless some solution could be found for this difficulty, it was hard to see what issue there could be.

He asked was it then our view that the Conference should close down at once? I replied that this was not necessarily so. The real test, in our opinion, was whether future discussions would hold any prospect of success and whether their continuance would be dangerous or not. If discussions could usefully proceed, well and good, but, if not, their continuance would do harm to the League of Nations and no good to Anglo-French relations. Both these results ought to be avoided.

He went on to say that the subjects we had suggested for separate treatment would also cause difficulties. As regards chemical warfare the question of sanctions would arise; and as regards national defence expenditure it would be necessary to think of budgetary limitation as well as budgetary publicity. I said it seemed to me that, in that event, the same general rule might apply. If the consideration of these subjects was only going to lead to serious divergence of view, it might perhaps be wiser not to touch them.

On the question of German rearmament, M. Massigli said that what worried the French Government was that during the past months His Majesty's Government were continually changing their ground, and every change they made was a new step towards the German case. The Germans, by the very fact of being absent, were able to secure progressive advances towards their point of view. How could the French Government be sure that if, for example, they were to consent to negotiate on the basis of Hitler's proposals, His Majesty's Government would not once more change their ground if Hitler should further increase his demands? One of their diffi-

culties, he wished to say frankly, was that the French Government could never be sure where His Majesty's Government stood. Then, again, if negotiations were to proceed on the basis of Hitler's proposals, what procedure was to be followed? Was a convention to be drawn up and then submitted to the Germans, or were the Germans to be brought back to the Conference, and, if so, how? I said that it seemed a little early to think of questions of procedure when there seemed to be no basis for an agreement. As to our policy in the recent past, we attached such high importance to the conclusion of a disarmament convention which would control and limit German rearmament, Germany being a party, that we had used every effort to try to find some basis which might fairly be expected to reconcile the French and German positions.

Then, again, he continued, the question which had been put to them on the 10th April was cast in a form which made it impossible for the French Government to answer it, even if (as was not the case) they had known what was the total effect of the convention we were asking them to accept. If they had given any positive answer to it, they would by so doing have admitted the principle of immediate German rearmament, while we should not have given any principle away. The fact that we might have been asked by the French to offer them a greater or lesser measure of guarantees of execution would not have committed us to any new principle. The French Government had, in fact, been unable to answer our question because it was unanswerable. Any answer would have bound them to something new without binding us to anything new. It might have helped them to answer the question if we could have indicated to them whether we were in a position to accept the proposals for guarantees of execution which they had sent to Mr. Henderson, or if we had let them have our observations, saying which parts of the proposals we liked and which parts we did not like. As it was, they were completely in the dark as to our attitude, and he was quite certain that no French Government could ever give an answer which would commit them to the principle of immediate German rearmament, unless they knew in advance what measure of guarantees we should be prepared to offer.

It was obvious, therefore, he said, that an answer to our question could not possibly be found by official exchanges between the Governments. The only conceivable method, though he was not suggesting it, would be for experts from both sides to enter upon a detailed exchange of view without committing their Governments. By this means both sides should be able to obtain a clear idea, first, as to what the final effect of the various British proposals really was (the Draft Convention, the January memorandum, the Hitler proposals and the question of the 10th April), and, second, as to what measure of agreement it might be possible to reach on the question of guarantees of execution.

I said that all this seemed to presuppose that the French would be prepared to admit some measure of immediate German rearmament.

M. Massigli said that, speaking in a purely personal manner, he did not



think it impossible that the French Government might eventually admit some limited degree of immediate German rearmament, provided that the necessary conditions were satisfied. For example, there would have to be provisions in the convention for the control of arms manufacture. One reason why this was necessary was the following: Germany could not be allowed unlimited quantities of the authorised weapons; in the case of guns, for example, it would not be possible to frame any scheme of numerical limitation, because in order for such limitation to be supervised it would be necessary to count stocks, and this neither we nor the French Government were prepared to admit; there would, therefore, have to be a scheme under which annual quotas of manufacture would be laid down, and the application of such a system could not be supervised unless there was control of manufacture. There would also have to be budgetary limitation; and, of course, guarantees of execution.

M. Massigli said, at one point of the conversation, that he was sorry that M. Barthou, in his speech, had seemed to point his remarks so much at Sir John Simon, and the tone was not perhaps all that could be desired. If M. Barthou had spoken before and not after Sir John Simon the manner of his speech would have been different. I assured M. Massigli that Sir John Simon had paid no attention whatever to the manner of the speech. He had, in fact, begged the English press correspondents, whom he had seen immediately after M. Barthou's speech, to make no reference whatever to any supposed personal aspect of the matter, and to give no impression that Anglo-French relations would be in any way adversely affected. The correspondents had taken this advice and the result was to be seen in yesterday's London press.

The word 'security' was not uttered once throughout the conversation. M. Massigli made no reference to the Italian plan.

W. STRANG

No. 439

*United Kingdom Delegate (Geneva) to Foreign Office (Received June 2)*

*No. 67 [W 5331/1/98]*

GENEVA, June 1, 1934

The United Kingdom delegate to the League of Nations presents his compliments, and has the honour to transmit copy of a despatch addressed to His Majesty's representative at Angora, recording a conversation between the Secretary of State for Foreign Affairs and Tevfik Rüştü Bey, respecting disarmament pacts.

*Sir J. Simon to Mr. Morgan (Angora)*

No. 2.

GENEVA, May 31, 1934

Sir,

In the course of our conversation today, Tevfik Rüştü Bey sketched for me the conceptions of an Eastern Locarno and a Mediterranean Pact, which he understood were being canvassed in some quarters, and which he regarded as affording a sure road to subsequent disarmament. The Eastern Locarno would, according to this scheme, be entered into by France, Soviet Russia (which would first join the League), the Baltic States, Poland, Germany and Czechoslovakia. It would provide a general guarantee of the common frontiers between any two of these States. The Mediterranean Pact, on the other hand, would not contain any such guarantee, but would be a regional application of the Kellogg Pact in the nature of a multilateral non-aggression agreement. According to His Excellency, the parties would be England, France, Italy, Turkey, Greece and Yugoslavia. Spain might come in if she wished. He did not mention Egypt, Palestine or Syria. In contrast with the Eastern Locarno Tevfik Rüştü Bey described the Mediterranean Pact as having a 'merely moral' value. I asked whether those who were discussing these ideas had decided in their own minds the range to be covered by this latter document, e.g., France and Italy had contiguous interests in the interior of Africa. He replied by a medical metaphor, and said that the object was to deal with the 'points névralgiques', and not, therefore, I gathered, to spread the area unnecessarily wide. According to the view of the Turkish Foreign Minister, these arrangements were calculated to produce such a relief to the existing tension that a material reduction of armaments could then be agreed—he did not profess to say how much. I said that if this was the calculation, it would be interesting to know how the plans were taking shape and by what machinery they would be developed. He replied that this would be done in the Security Committee of the Disarmament Conference, but I observed that a committee of the Disarmament Conference was the last place in which I should expect specific treaties of guarantee between a limited number of States to be successfully negotiated. The technique of Geneva did not contain any provision for secrecy. Neither the Locarno Treaty nor the Balkan Pact had been negotiated under such conditions; but wherever the negotiations took place, we should be much interested in their progress.

I am, &amp;c.,

JOHN SIMON

No. 440

*Mr. Patteson (Geneva) to Sir J. Simon (Received June 3, 10.0 a.m.)*

*No. 39 L.N. Telegraphic [W 5334/1/98]*

GENEVA, June 2, 1934, 11.50 p.m.

Following from Mr. Eden.<sup>1</sup>

I had a conversation with Mr. Henderson this morning when Mr. Davis was also present. It is Mr. Henderson's present intention to try to secure from the Bureau authority to enable him to do what he can to overcome the present Franco-German differences suspending other activities of Conference meanwhile. Mr. Davis, however, was not helpful. He was inclined to suggest that His Majesty's Government were not now anxious for a convention since we were 'sore' with the French and he argued that it would be difficult to entrust Mr. Henderson only with responsibility for negotiating to bring Germany back to the Conference. A committee was required for this on which several Powers should be represented.

I supported Mr. Henderson and discouraged the idea of a committee. Personally I do not believe French and German positions can be reconciled at present at any rate. If Mr. Henderson tries and fails he will recognise his failure. If a committee is entrusted with the enterprise we shall I fear have to face endless talk while European situation deteriorates.

I am informed that Mr. Davis is making active 'anti-adjournment' propaganda and this is probably because he does not know where to go if Geneva adjourns.

I am to see Mr. Henderson again tomorrow evening and Bureau has been summoned for Monday<sup>2</sup> afternoon.

<sup>1</sup> Sir J. Simon left Geneva on June 1.

<sup>2</sup> June 4.

No. 441

*Mr. Patteson (Geneva) to Sir J. Simon (Received June 5, 9.30 a.m.)*

*No. 42 L.N. Telegraphic [W 5383/1/98]*

GENEVA, June 5, 1934, 12.30 a.m.

Following from Mr. Eden:—

Bureau sat for more than four hours this afternoon<sup>1</sup> and failed to reach any agreement as to future of Conference. Even an attempt towards the end of the proceedings to secure agreement upon composition of drafting committee, to make proposals for future work of the Conference, failed completely. President summed up situation to Bureau at the close as being materially worse than it had been at meeting of the General Commission. He told me privately afterwards that he was convinced that the French and Russians did not now wish for success of the Conference as at present constituted; still less

<sup>1</sup> This telegram was drafted on June 4.

for return of Germany to it. They cared nothing for disarmament and their sole ambition was use of Conference for their own security proposals designed to encircle Germany. Discussion in Bureau showed two distinct tendencies.

(1) A desire to concentrate on essentials of position as revealed in recent notes of the four principal Powers with a view to making a last effort by negotiation to reconcile points of view in those notes and to secure return of Germany to the Conference. This was broadly the view of Mr. Henderson, Mr. Norman Davis and myself, supported to a considerable extent by six neutral Powers. Italian delegation, though I believe agreeing, in fact took no part.

(2) A desire to proceed at once to negotiation of security proposals without the presence of Germany, these proposals to be of most far-reaching character. U.S.S.R., France, Little Entente and Balkan Entente shared this point of view. M. Massigli remarked to me in the course of conversation that French Government were particularly anxious that security pacts, whether local or not, should be concluded under auspices of the Conference and those countries which were not parties to them would be asked to associate themselves with them in some manner.

Though a sharp contrast in point of view was thus laid bare, discussion, more particularly between M. Barthou and myself, was at no time other than friendly in character. In fact M. Barthou went out of his way early in the discussion to emphasise that though France and United Kingdom might hold different points of view as to the future of the Conference their close co-operation would be unaffected. I have the impression that M. Barthou was all the more anxious to appear in a friendly light today in order to atone for what he now appreciates to have been an error of taste and policy on Wednesday. Unhappily, however, M. Barthou still remains a politician whose chief joy is to secure debating point and whose idea of conciliation is to get 100 per cent. of his own way. Full summary of proceedings has left by air mail bag tonight (my telegram No. 26 Saving<sup>2</sup>) and should reach you about noon tomorrow. Bureau meets again tomorrow afternoon and the President has foreshadowed postponement of General Commission at present fixed for Wednesday.<sup>3</sup>

<sup>2</sup> Not printed.

<sup>3</sup> June 6.

## No. 442

*Mr. Patteson (Geneva) to Sir J. Simon (Received June 5, 11.50 a.m.)*

*No. 43 L.N. Telegraphic: by telephone [W 5384/198]*

GENEVA, June 5, 1934

Following from Mr. Eden:

M. Motta in the course of his speech in the Bureau yesterday made an appeal to the United Kingdom 'to go a little further' in the matter of guarantees of execution. Late last night I had a long interview with M.

Sandler, Swedish Foreign Secretary and leader of 'neutral' group, who had made a speech which showed considerable courage in the Bureau. M. Sandler asks [*sic*] me whether United Kingdom Government was prepared to go beyond proposals in their memorandum of January 29 in respect of guarantees of execution: unless they were he felt that there was no possibility of agreement as yet of Great Powers. I replied that M. Barthou had made it quite clear that no guarantees of execution would make it possible for France to agree to any immediate rearmament of Germany. I would therefore ask him another question. If we were able to make any proposal in respect of guarantees of execution did M. Sandler think there was any likelihood of French Government in any way modifying position taken up by M. Barthou? M. Sandler replied that he could not be sure but he hoped so for he was reluctant to regard M. Barthou's statement as final view of France. Though I appreciate that it is unlikely that a declaration on our part in respect of guarantees of execution would have any decisive effect at present time I do feel that the fact that we have never declared our attitude to French proposals communicated to Mr. Henderson on December 15<sup>1</sup> is a source of weakness to us at this time. We are probably in the closing days of the Conference. While opinion generally appreciates the extent of our efforts, doubt[s] as to our attitude to the guarantees of execution are one ground of criticism which can be urged against us.

In any case I propose to show my readiness to take part in any examination of this problem which may be proposed by others. But should I perhaps go further and propose such examination myself in return for support by Conference of general attitude taken by Mr. Henderson, Mr. Davis and myself yesterday?

I should be grateful for any guidance that you can give me in this matter.

Situation here is very delicate and I am extremely anxious that we should emerge from closing stages of Conference, if such they be, without reproach.

<sup>1</sup> See No. 172, note 2.

## No. 443

*Sir J. Simon to Mr. Patteson (Geneva)*

*No. 52 L.N. Telegraphic: by telephone [W 5498/1/98]*

FOREIGN OFFICE, *June 7, 1934, 8.50 p.m.*

Following for Mr. Eden.

My telegram No. 50.<sup>1</sup>

1. You will receive first thing tomorrow by messenger the full record of today's meeting of the Ministerial Committee and will find in it, and

<sup>1</sup> Not printed. This telegram of June 7 reported the views of the Ministerial Committee on various draft resolutions before the Bureau. The most important of these resolutions was that proposed by M. Barthou on June 6. This resolution was amended after discussion between the British, French, and United States Delegations, and was moved in its amended form (see No. 445) by M. Barthou on June 8. The most important change in M. Barthou's

particularly in some observations by the Prime Minister, a line of presentation which will be your chief guide in preparing your speech tomorrow. The main thing is to make the speech for your English audience and not merely for the purposes of Geneva.

2. We naturally leave to you the extent and manner in which you find it best to make use of these and any other suggestions. The following paragraph reproduces a draft for your guidance prepared by Sir Robert Vansittart who was also at the Ministerial Committee this morning.

3. A guiding thread of your speech should be the unwisdom and danger of tying the Conference down to continued fruitless discussions. It is obviously perfectly useless to consider supervision, guarantees of execution or kindred subjects unless there is a Disarmament Convention to which that supervision and guarantees of execution could apply. But in addition to this it would be an intolerable state of things that other countries should pledge themselves even hypothetically to reductions or limitations of their armaments when one Power, Germany, has withdrawn from the Conference and announced its withdrawal from the League. It is this withdrawal of Germany from the Conference and the League which has rendered infinitely harder and perhaps made impossible the progress in the work of disarmament. Germany has not only withdrawn from the discussions but she has, by pronouncements of her Government and by the increase in her military budgets, created serious apprehensions in the minds of other countries. Till Germany has demonstrated by her return to Geneva her loyalty to the cause of international co-operation there seems small possibility of effective disarmament, and a Convention without the reduction or limitation of armaments would be false to the whole ideal of the Disarmament Conference. It is for these reasons that you must insist on behalf of His Majesty's Government that Great Britain could not agree to resume discussion of the topics set out in the French resolution unless some prospect of ultimate success is assured by the return of Germany to the place at the Disarmament Conference which she was not in their opinion justified in quitting. Every nation at the Conference desires to see her return and the Conference, in the amendment which you are proposing to the French resolution, offers her an opportunity of doing so. Only if she does so would it be possible to get on with the international regulation of armaments. If she refuses to do so there is no such possibility. The responsibility therefore is hers. Your object in moving your amendment to the French resolution is to make these facts clear. His Majesty's Government remain devoted to the cause of disarmament and if Germany returns

text was the introduction of a new Clause I (Clause I in the original French text became the first paragraph of Clause II in the amended text). In M. Barthou's original resolution the last sentence of the preamble read: 'resolves to continue without delay the investigations already undertaken, without prejudice to any private negotiations into which governments may wish to enter in order to promote final success'. Mr. Eden, with the support of the British Government, insisted on the introduction of an explicit reference which would make clear that the first duty of the Conference and the essential condition of its success must continue to be a reconciliation of the points of view of France and Germany which would secure the return of Germany to the Conference.

to the Conference they will co-operate with other countries both in the investigation of the matters set out in the French resolution and on all the material necessary for the completion of a full Disarmament Convention. Unless Germany is brought back to the discussion, such investigation would not only be a waste of time, it would be unfair to the nations which have not left the Conference for it would hypothetically bind them while Germany remained unbound.

4. For your own information you will see that the object of my suggestions is to avoid the appearance of wrangling at Geneva while Germany, on whose shoulders the main responsibility rests, looks on and profits. For it would not be in the interests of this country to remain handicapped in self-protection by a continuing but fruitless discussion, while a rapidly and ominously rearming Germany continues on her courses.

**No. 444**

*Sir J. Simon to Mr. Patteson (Geneva)*

*No. 54 L.N. Telegraphic: by telephone [W 5498/1/98]*

FOREIGN OFFICE, *June 8, 1934*<sup>1</sup>

Following for Mr. Eden:—

My telegram No. 52.<sup>2</sup>

When the phrase is used of Germany's return to Geneva it is of course presupposed that such a return would not only be impossible but useless, or even worse than useless, unless the ground had been prepared by at least some preliminary measure of agreement (see my telegram No. 50<sup>3</sup>).

<sup>1</sup> The time of despatch of this telegram is not recorded.

<sup>2</sup> No. 443.

<sup>3</sup> Not printed. See No. 443, note 1.

**No. 445**

*Mr. Patteson (Geneva) to Sir J. Simon (Received June 8, 12.15 p.m.)*

*Unnumbered L.N. telegraphic: by telephone [W 5552/1/98]*

GENEVA, *June 8, 1934*

Following from Mr. Eden.

Following is text of proposed resolution:—

**THE GENERAL COMMISSION**

taking into consideration the resolutions submitted to it by the Delegations of the six Powers, the Turkish Delegation and the Delegation of the U.S.S.R. respectively;

taking account of the clarification of its work resulting from the French memorandum of January 1st 1934, the Italian memorandum of January 4th

1934, the United Kingdom memorandum of January 29th 1934, and the German Declaration of April 16th 1934;

convinced of the necessity of the Conference continuing its work with a view to arriving at a general convention for the reduction and limitation of armaments;

resolved to continue without delay the investigations already undertaken;

## I

Invites the Bureau to seek, by whatever means it deems appropriate and with a view to the general acceptance of a disarmament convention, a solution of the outstanding problems, without prejudice to the private conversations on which Governments will desire to enter in order to facilitate the attainment of final success by the return of Germany to the Conference;

## II

Having regard to the peculiar importance presented by the study and solution of certain problems to which attention was drawn at the beginning of the general discussion,

takes the following decisions:—

### 1. *Security*

(a) Since the results of the earlier work of the Conference have enabled certain regional security agreements to be concluded in Europe during the past year, the General Commission decides to appoint a special committee to conduct such preliminary studies as it may consider appropriate in order to facilitate the conclusion of further agreements of the same nature which may be negotiated outside the Conference. It would be for the General Commission to determine the relationship, if any, of these agreements to the General Convention. ✓

(b) The General Commission decides to appoint a special committee to study the question of guarantees of execution and to resume the work relating to supervision.

### 2. *Air Forces*

The General Commission instructs its Air Committee to resume forthwith the study of the questions mentioned in its resolution of July, 23 1932, under the heading '1. Air Forces'.<sup>1</sup>

<sup>1</sup> *Note in original:* The Conference deeply impressed with the danger overhanging civilisation from bombardment from the air in the event of future conflict, and determined to take all practicable measures to provide against this danger, records at this stage of its work the following conclusions:—

- (1) Air attack against civilian population shall be absolutely prohibited.
- (2) The High Contracting Parties shall agree as between themselves that all bombardment from the air shall be abolished, subject to agreement with regard to measures to be adopted for the purpose of rendering effective the observance of this rule.

These measures should include the following:

- (a) There shall be effected a limitation by number and a restriction by characteristics of military aircraft;



### 3. *Manufacture of and Trade in Arms*

The General Commission requests its Special Committee on Questions Relating to the Manufacture of and Trade in Arms to resume its work forthwith and, in the light of the statements made by the United States Delegate at the meeting of May 30 1934, to report to it as early as possible on the solutions it recommends.

These Committees will carry on their work on parallel lines; and it will be co-ordinated by the Bureau.

### III

The General Commission leaves it to the Bureau to take the necessary steps at the proper time to ensure that when the President convenes the General Commission it will have before it as far as possible a complete Draft Convention.

### IV

Recognising that the proposal of the U.S.S.R. Delegation that the Conference be declared a permanent institution under the title of the Peace Conference calls for careful study, the General Commission requests the President to submit that proposal (Conf. D/CG 163) to the Governments.

- (b) Civil aircraft shall be submitted to regulation and full publicity. Further, civil aircraft not conforming to the specified limitations shall be subjected to an international régime (except for certain regions where such a régime is not suitable) such as to prevent effectively the misuse of such civil aircraft. [See Volume III of this Series, Appendix VII.]

### No. 446

*Mr. Patteson (Geneva) to Sir J. Simon (Received June 9)*

*No. 29 L.N. Saving: Telegraphic [W 5567/198]*

GENEVA, June 8, 1934

Following from Mr. Eden:

After a meeting of the Bureau, at which Italian and Polish representatives indicated that they would have certain reservations to formulate, M. Barthou submitted to the General Commission his resolution.

In so doing, he made a special point of extolling the virtues of Anglo-French friendship, which was the surest guarantee of peace in Europe. He declared that paragraph I of the operative part of the resolution was the most important. France desired the return of Germany and considered that she should return freely. He categorically denied that France desired to encircle Germany.

I echoed M. Barthou's words regarding the importance of Anglo-French friendship and, after recalling the attitude of His Majesty's Government as set forth in your speech of May 29 [? 30]<sup>1</sup>, I declared that present difficulties

<sup>1</sup> See No. 436.

of Conference were largely due to the absence of Germany. His Majesty's Government had in no way modified the view they took last October of German action, and I now expressed hope that in present improved atmosphere German Government would now enable us to conclude our work.

Mr. Norman Davis emphasised importance of Anglo-French reconciliation, and supported the resolution.

M. Litvinov did not oppose resolution, since it contained nothing of which the Soviet Government would disapprove. He trusted, however, that matters dealt with therein would not be substituted for the more important ultimate task of the Conference. He would certainly be grateful if the Bureau could contribute to settle the outstanding political problem and would warmly welcome the return of Germany, which no one had done more than the Soviet to bring about (*sic*). The Regional Pacts Committee should also discuss the definition of aggression. As for the Soviet proposal for a peace conference, he trusted it would return to Geneva and the delegates be instructed to discuss and eventually to accept it.

On behalf of the six Powers, M. Sandler accepted resolution without going into detailed criticism, since it provided political compromise opening the way once more for the achievement of a convention. Six delegations could have wished that more importance could have been given to disarmament proper.

Hungarian delegate spoke on familiar lines regarding equality of rights and deplores [*sic*] that resolution would not enable disarmament to be achieved in a very short period. Austrian and Bulgarian delegates made similar references to equality of rights but did not oppose French resolution.

M. Soragna explained that in Italian Government's view Conference could not resume work without necessary prior political solutions. As resolution did not apply this principle fully, he could not support it. Italy would, however, continue to collaborate in seeking a solution of problems before Conference.

Polish representative made a reserve concerning the specific mention of the four diplomatic notes. These notes had not yet been generally discussed by delegations in General Commission and could not be considered in any way the basis of the Commission's work. Only basis so adopted was the United Kingdom Draft Convention.

Persian delegate could not countenance the discussion of Regional Agreements unless it was clear that they would not tend to weaken the normal collective action of the League, particularly under Articles 10 and 16 of the Covenant.

Resolution was then adopted and General Commission called for Monday<sup>2</sup> afternoon to consider putting programme of work into operation.

<sup>2</sup> June 11.

No. 447

*Sir E. Phipps (Berlin) to Sir J. Simon (Received June 20)*

*No. 671 [C 3876/20/18]*

BERLIN, June 8, 1934

Sir,

With reference to my telegram No. 112 Saving,<sup>1</sup> of the 30th May, I have the honour to report that the press of the 8th June contains an official communiqué stating that Stab[s]chef Röhm has left for several weeks' sick leave.

The text of this communiqué is as follows:—

'The Chief of Staff of the S.A., Reich Minister Ernst Röhm, has left for several weeks' sick leave. This leave was ordered by the Chief of Staff's doctor in order to enable him to undertake a cure which had become necessary.

'In order to dispel in advance all misinterpretations which might possibly be made in this connexion, the Chief of Staff has stated that he will continue to perform his official duties without any diminution, as soon as his health is restored.

'Similarly, the S.A. will, after their well-deserved July leave, continue to carry out their great tasks in the service of the Leader and the movement.'

2. Herr Röhm has been suffering recently from rheumatism accentuated by over-indulgence in food and drink and his irregular mode of life. It was only a matter of time when he would be compelled to take a cure.

I have, &c.,

ERIC PHIPPS

<sup>1</sup> No. 433.

No. 448

*Sir E. Phipps (Berlin) to Sir J. Simon (Received June 20)*

*No. 676 [C 3878/20/18]*

BERLIN, June 9, 1934

Sir,

With reference to my despatch No. 671<sup>1</sup> of the 8th June, I have the honour to report that Stabschef Röhm has thought it necessary to issue a further declaration on the subject of his sick leave and the summer leave of the S.A. The text of this statement, which appeared in the press of the 9th June, is as follows:—

'The Chief of Staff of the S.A. has issued the following command to the S.A.:—

'“I have decided to take the advice of my doctors and to restore, by

<sup>1</sup> No. 447.

means of a cure, my physical powers, which have, in the course of the last weeks, been seriously affected by a painful nervous complaint. My duties will be performed in my absence by the chief of the headquarters office, Obergruppenführer von Krausser.

‘“The year 1934 will claim the entire energy of all fighters of the S.A. I therefore recommend all S.A. leaders to begin to arrange leave now in June. In particular, all S.A. leaders and men who must be available for duty in July should be granted leave in June.

‘“In this way the month of June will be a time of complete relaxation and recreation for a considerable part of the S.A. leaders and men, and the month of July for the mass of the S.A.

‘“I expect that on the 1st August the S.A. will be once more ready for duty, completely rested and restored in order to fulfil the honourable and heavy duties which the people and the fatherland are entitled to expect from them.

‘“If the enemies of the S.A. like to indulge in the hope that the S.A. will not return from their leave, or only return in part, we are ready to leave them to the enjoyment of this brief pleasure of expectation. They will receive the appropriate answer at the time and in the form which may appear suitable.

‘“The S.A. are, and remain, the arbiters of Germany’s fate.

‘RÖHM.

‘*Munich, June 8.*’

I have, &c.,  
ERIC PHIPPS

No. 449

*Sir W. Selby (Vienna) to Sir J. Simon (Received June 18)*

*No. 118 [R 3400/37/3]*

VIENNA, June 11, 1934

Sir,

About the time my despatch No. 113<sup>1</sup> of the 28th May was completed, information reached this Legation from a reliable source of Nazi intentions to increase the pace of the terrorist campaign against the Austrian Government as from the 5th June. The programme, which had therefore evidently been carefully planned beforehand, was adhered to almost to the day; this morning’s press having to announce seven cases of dynamiting on the railways around Vienna, and a number of attacks with explosives upon power-houses, public buildings, and even schools, during the past forty-eight hours.

2. No mention is made in these reports of the damage inflicted in any one case; the press communiqué stating that traffic was resumed, after some interruption, on all the railways concerned. The regular Nazi broadsheet,

<sup>1</sup> Not printed. This despatch reported on the internal situation in Austria.

however, gives a detailed list of 249 'attacks with explosives' in every province of Austria between the 1st and 15th May, and maintains that since then the number has increased.

3. From private sources I learn that the heavy week-end traffic on the Vienna-Semmering line was rendered impossible for several hours on Saturday,<sup>2</sup> the line being torn up for a distance of 40 metres just prior to the passage of a tourist train said to contain a number of English passengers. Also, from a direct source, that a bomb was yesterday discovered in Prince Starhemberg's desk, and from a Nazi sympathiser that 4 kilos. of dynamite would have exploded in the Department for Foreign Affairs but for a defective fuse.

4. These somewhat sensational details I recount only because they have had the effect the originators of the campaign desired of setting the nerves of almost all sympathisers of the Government severely and noticeably on edge. Legitimists may be exaggerating the gloom which, they profess, hangs over all and sundry, in the hope that others will see in a Monarchist restoration the only hope of saving Austria from Nazi domination. But open profession of Nazi sympathies is beginning to be noticeable in Vienna, and nervousness among Jews especially and increasingly apparent.

5. The Chancellor persuaded the Cabinet during a hurried night session which took place on the 9th instant to call upon the population to form a volunteer militia ('Ortswehr') of the trustworthy inhabitants of all towns and villages, whose duty it would be to protect their roads and public property from malicious damage. The proclamation making known the creation of this force gives a broad hint that Nazis may be dealt with summarily by such militiamen without fear of legal pursuit if the letter of the law is infringed, a clear invitation to lynch law. But Nazi quarters say, with some show of reason, that a force of this description will only be useful in districts loyal to the Government, and that rewards up to 10,000 Schilling now offered for apprehension of the malefactors will not break the Nazi ranks. In the districts in which Nazi doctrines are preponderant, destruction will—under careful orders—continue as before, despite such counter-measures and reprisals as the Government may take.

6. Already the Ministry of Finance, the railways, and those responsible for the national roads are asking how long the budget can stand destruction of public property such as took place last week. Finances are, on the whole, not too unsatisfactory, but three important categories of the budget are an exception to this statement. The Minister of Commerce is depressed at a noticeable fall in trade with Czechoslovakia during May 'as a result of the depreciated Czech crown and of too high an exchange level for the Schilling'. He is equally unhappy, and so is the Chancellor, over the German boycott of the apple crop—which, however, I learn from good trade sources, Germany intends to take 'at a convenient opportunity'. The railways, moreover, are reported to have shown a record drop in earnings in May; and the inter-connected tourist traffic is equally unsatisfactory.

<sup>2</sup> June 9.

7. These three ills are connected, by those opposed to Dr. Kienböck, with his insistence upon a continued 'high Schilling', whose connexion, to French satisfaction, with gold has led, as an example, to the fall of the £ sterling by no less than 4 per cent. during the past weeks. But Dr. Kienböck and his supporters show no sign as yet of giving way, and they are backed by those who say that the country would now not stand the shock of even moderate inflation.

8. From Socialist circles in Zürich I learn that the Banque de France lately came to the assistance of the Banque d'Italie on conditions of a politico-economic nature which prevent an Italian hegemony in Austria and Hungary or action contrary to the interests of the Little Entente. Of the conclusion of some such financial assistance to Italy I have received independent confirmation; but so far France does not appear to have taken even as much Austrian timber as it took during the corresponding months of 1933, while Germany has largely increased its purchases of Austrian timber—and no doubt gained an increasing hold over the peasant population of Western Austria thereby.

9. That the Federal budget is not so far in any great difficulty is due in part to moneys which continue to be paid monthly by the Municipality of Vienna to the Government as part of the forced contribution levied last year on Socialist Vienna. But the Municipality has had to conclude, mainly with the French-controlled Länderbank, a short-term loan consisting of 45 million Schillinge of Treasury bonds repayable over a period of nine years and theoretically callable at three months' notice. This money, and 35 million Schillinge which are to be borrowed on the strength of a mortgage to be placed on the municipal dwelling houses, is nominally to be spent on creating employment by resuming building operations and driving new roads through the forests around Vienna. How much of it will go on meeting everyday expenditure I cannot predict, but receipts from a number of municipal enterprises such as public baths and breweries are falling as a result of a Socialist boycott of all such revenue-earning devices. The Municipality is therefore not in a happy state financially and, in fact if not in theory, it is borrowing money to pass part at least of it on to the State. Increase, or 're-adjustment', of rents in municipal dwellings, decrease of unemployment benefits and other measures of economy are being discussed; the hated municipal building tax can only be converted into one bearing another name, and economies are hard to effect without creating hardship and so increasing political discontent.

10. While, therefore, Dr. Dollfuss is driving a somewhat dispirited, quarrelsome and treacherous team once more into action his Nazi opponents are gleefully pointing to the press reports of an early meeting of Herr Hitler and Signor Mussolini as 'proof positive' that these two statesmen will come to an agreement with regard to Austria which, they pretend, will take the form of eliminating Dollfuss and replacing him by Dr. Rintelen,<sup>3</sup> whose role I have described in previous despatches and who, under a cover of con-

<sup>3</sup> Austrian Minister in Rome.

tinued Austrian independence, will be satisfactory to Germany as well as to Italy. The first fruits of such a compromise would be an alleviation of the 'burden of foreign debt service carried by Austria to the extent of 60 to 75 million Schillinge per annum, since Austria would no longer pay more than Germany will pay today'.

11. Meanwhile I learn from a good confidential source of German plans for replacing wheat cultivation in extensive areas of Hungary, Yugoslavia, Roumania and Bulgaria by soya bean, the growers of which are being placed under contract with Germany to the mutual advantage of both sides. The effects of this practical form of penetration are—if the reports are correct—not hard to see.

12. I am sending a copy of this despatch to His Majesty's Ambassador at Berlin.

I have, &c.,  
W. SELBY

**No. 450**

*Sir J. Simon to Sir E. Phipps (Berlin)*

*No. 638 [C 3631/247/18]*

FOREIGN OFFICE, *June 12, 1934*

Sir,

Herr von Hoesch called this afternoon to communicate the following confidential information: On the 7th June M. François-Poncet informed the German Foreign Office that M. Litvinov had proposed to M. Barthou an Eastern Pact, which he suggested France should guarantee. The proposed parties would be Russia, Poland, Czechoslovakia, the Baltic States and Germany. The pact would be for the three purposes of consultation, non-aggression and mutual assistance in case of aggression by one of the parties. M. François-Poncet went on to say that, in reply to M. Litvinov's suggestion of a French guarantee, M. Barthou had said that this was an interesting proposal, which he would be prepared to entertain if Russia, in her turn, would guarantee the Locarno Treaty. M. Barthou was anxious to inform Germany at once of these suggestions, since he wished to dissipate any idea that what was being proposed was the encirclement of Germany.

2. Herr von Hoesch said that he had been so surprised by the French suggestion that Russia should guarantee the Locarno Treaty, that he had telephoned to Berlin to make sure that this was really correctly reported as a feature of the conversation. It was confirmed, however, that this was M. Barthou's suggestion to M. Litvinov. The German Government had replied that they would take the communication into consideration. What did I think of it? I naturally replied that His Majesty's Government would also wish to consider the whole matter carefully. But one or two observations and enquiries suggested themselves. At Geneva I had heard in general terms

of the idea of an Eastern Locarno; the most detailed description had been furnished in the course of conversation by Tevfik Rüştü Bey.<sup>1</sup> But we had not previously heard of the suggestion of the Russian guarantee of Locarno. Herr von Hoesch said that his personal feeling was that M. Litvinov's proposal would be much more acceptable to Germany if the United Kingdom and Italy were included in the proposed Eastern Pact. I reminded the German Ambassador that only yesterday a statement had been made at Geneva on our behalf that, in consenting to contribute a member to the Security Committee, we were not contemplating that the further agreements in the nature of regional security agreements to be concluded in Europe would be agreements to which the United Kingdom was a party. We were already a party to the regional security agreement of Locarno and understood that the agreements now contemplated for other parts of Europe would be between other parties.

3. The Ambassador indicated that Germany was not likely to favour a proposal that she should be included in this restricted combination of States. She would not feel sure of getting fair treatment inside such a combination if the question arose as to who was the guilty party. She did not possess aggressive weapons like very heavy guns such as the other parties in the proposed combination possessed. Annex F to the Locarno Protocol recognised her special position in this connexion. Herr von Hoesch thought that M. Litvinov had made the proposal expecting that Germany would reject it, hoping thereby to throw the blame on Germany. This, the Ambassador observed, was just what had happened about Russia's recent suggestion to Germany that they should jointly guarantee the integrity of the Baltic States.<sup>2</sup> Germany declined on the ground that there was no occasion to do so, and Russia had used Germany's refusal to her disadvantage.

4. In the course of the conversation Herr von Hoesch repeated what he said to me at our interview of the 26th May (see my despatch No. 579<sup>3</sup>), that Chancellor Hitler would be quite willing to enter into a non-aggression pact with Belgium. I told the Ambassador that we were interested in this idea, and would be glad to see anything done which would effectively reaffirm assurances to Belgium as to which both Germany and ourselves were already bound in the Locarno Treaty.

I am, &c.,  
JOHN SIMON

<sup>1</sup> See No. 439.

<sup>2</sup> After the failure of a proposal, which was declined by the Governments of the Baltic States, for a joint Polish-Soviet guarantee of those countries, the Soviet Government proposed on March 28 a Soviet-German pact to the same effect. It was rejected by the German Government on April 14.

<sup>3</sup> No. 432.



*Sir W. Selby (Vienna) to Sir J. Simon (Received June 20)*

*No. 119 [R 3494/37/3]*

VIENNA, June 13, 1934

Sir,

I visited the Chancellor this morning prior to my departure on leave.

2. Dr. Dollfuss did not attempt to conceal from me the seriousness of the difficulties with which he was confronted by the renewal of the Nazi agitation in Austria, which has taken the form of the bombing outrages which have recently been perpetrated. He expressed the hope that I would represent to His Majesty's Government and the authorities in England the great importance, from his point of view, of doing everything possible to reindorse the attitude of England as regards maintaining the independence of Austria, as that would do much to assist Austria to overcome the menace with which she was confronted. I told the Chancellor I would not fail to report his view. The attitude of His Majesty's Government on this point had been stated explicitly in the joint Anglo-French-Italian Declaration in Paris of the 17th February last, and remained the policy of His Majesty's Government. In addition, I drew the attention of the Chancellor to the leading article in 'The Times' reported in the morning issue of the 'Neue Freie Presse', which was an indication that British public opinion would strongly disapprove the campaign now in progress against the Austrian Government.

3. The Chancellor said he was, in particular, anxious that the tourist traffic to Austria should not be allowed to suffer, since from the economic point of view the tourist traffic was vitally important for Austrian economy. He begged me to exercise my influence to convey such assurances as were possible as regards the safety of the lives of foreigners in Austria.

4. Turning to the question of the impending meeting between Herr Hitler and Signor Mussolini, the Chancellor said he felt he could rely completely on the good faith of Signor Mussolini as regards maintaining the Italian attitude in respect of the essential condition of the independence of Austria. He owed much to the support of Signor Mussolini, and had no reason to think he would succumb to the arguments which Herr Hitler might advance for an accommodation of the Austro-German dispute on German terms.

5. The Chancellor went on to say that great pressure was being brought to bear upon him from German quarters to follow the lead of Germany in defaulting on the Austrian debts abroad. Much propaganda was being engaged in against him arising out of Germany's attitude towards her debtors. He said he had set his face sternly against following the German example, on the ground that that was never the way in which Austria had behaved towards her creditors, and so long as he was at the helm of affairs he would do his utmost to arrange that Austria should meet her obligations. Nevertheless, he begged me to bear in mind this aspect of the pressure which was being brought to bear upon him, and do all that was possible to accelerate the alleviation in the matter of the payment of interest on Austrian loans, in

regard to which His Majesty's Government had taken the initiative. He asked me whether I could see Sir Otto Niemeyer on my return, as he understood from the president of the National Bank that Sir Otto had been entrusted with the problem by His Majesty's Government, and was fully conversant with the difficulties with which Austria was confronted. I promised to take note of the Chancellor's wishes and to report them on my arrival in London.

6. Lastly, the Chancellor again referred to the question of economic assistance for his country, and repeated the hope so frequently expressed by him in recent months, that His Majesty's Government would, within the possibilities open to them, do what was possible to come to the help of his country.

7. In taking leave of me the Chancellor expressed the hope that I would have a pleasant and 'undisturbed' holiday, and urged me not to fail to convey to the Prime Minister and you, Sir, his best greetings. He had never forgotten his visit to England last year and the reception accorded to him—this is a topic to which he is never tired of referring—which had contributed a great deal to enabling him to meet the menace which threatened his country.

I have, &c.,  
W. SELBY

No. 452

*Sir E. Phipps (Berlin) to Sir J. Simon (Received June 21)*

*No. 696 [C 3911/3911/18]*

BERLIN, June 13, 1934

Sir,

I have the honour to inform you that General Göring, Prussian Prime Minister and 'Head Ranger of the Reich' ('Reichsjägermeister'), was so good as to invite Lady Phipps and myself last Sunday, the 10th June, to visit the new bison enclosure in the Schorfheide, about 70 kilom. from Berlin.

2. We arrived at our destination at 3 o'clock in the afternoon by motor, being shown the last part of the way by keepers posted at all cross-roads. Our host, as usual, was late, but eventually arrived in a fast racing-car driven by himself. He was clad in aviator's garments of india-rubber with top boots and a large hunting-knife stuck in his belt. The American, Italian and French Ambassadors, Herr von Papen, General Blomberg, the Minister of Finance and Countess Schwerin von Krosigk were also present, the number of guests amounting to about forty.

3. General Göring opened the proceedings by a lecture delivered to us on the outskirts of the bison enclosure in a stentorian voice with the aid of a microphone. He celebrated the beauties of the primeval German forest, in which roamed the primeval German animals, and announced his intention of reconstituting such a forest, ensuring to the animals the necessary forest

peacefulness and to the German citizen the possibility of glancing at primitive German animals in German surroundings.

4. On the conclusion of General Göring's address, three or four cow bison were driven towards a large box containing the bull bison. A host of cinematograph operators and photographers aimed their machines at this box preparatory to the exit of the bull. Those who, like myself, have seen the mad charge of the Spanish bull out of his 'torril' looked forward to a similar sight on this occasion, but we were grievously disappointed, for the bison emerged from his box with the utmost reluctance, and, after eyeing the cows somewhat sadly, tried to return to it. This part of the programme, therefore, did not fulfil our expectations.

5. The guests were then taken for a long drive across the Schorfheide in open carriages, General Göring heading the procession, accompanied by the wife of the Italian Ambassador in a small vehicle drawn by two powerful horses. After about an hour we alighted at a spot between some swamps, where General Göring made another address on the beauties of bird life. After a further drive we got into our motors again, which had been sent on to meet us, and General Göring disappeared alone at breakneck speed in his racing-car. Some twenty minutes' motor drive brought us eventually to the shooting-box which General Göring has just completed building for himself, overlooking a lovely lake. Our host met us here in a costume consisting of white tennis-shoes, white duck trousers, white flannel shirt and a green leather jacket, with the large hunting-knife still stuck into his belt. In his hand he carried a long harpoon-like instrument, with which he punctuated the further address that he then proceeded to deliver, expatiating on the beauties of his shooting-box and all the purely German materials of which it had been made. We were then taken through every room. The chief ornament in the living-room was a bronze medallion of the Führer, but opposite to it was a vacant space, reserved for the effigy of Wotan. A tree grows in the living-room, presumably ready to receive the sword to be placed there by Wotan and eventually to be removed by Siegfried or General Göring.

6. After this an excellent and purely Germanic collation was served at small tables in the open air and presided over most amiably by the actress, Fräulein Sonnemann, introduced by our host as his 'private secretary'. By this time it was past 7 o'clock and we were about to take our leave, but were told that the *pièce de résistance* was yet to come.

7. The concluding scene in this strange comedy was enacted at a lonely and very beautiful spot some 500 yards distant, overlooking the lake, where a mausoleum has been erected by General Göring, to contain, as he told us in his final and semi-funeral oration, the remains of his Swedish wife and his own (no mention was made of Fräulein Sonnemann). Under an oak tree General Göring planted himself, harpoon in hand, and celebrated to his guests, drawn up in a semi-circle round him, the Germanic and idyllic beauties of these Germanic surroundings. The mausoleum was placed between two German oak trees and flanked by six Druidical (but Germanic)

sarsen stones reminiscent of Stonehenge, which itself must be Germanic though we do not know it. The stones are to have various appropriate marks engraved upon them, including the swastika, but no sign of the Cross. The only blot in an otherwise perfect, and consequently Germanic, picture was the tombstone itself, which is made of Swedish marble; but this could not be avoided, as General Göring explained to me apologetically, for it was the original tombstone on his wife's grave in Sweden. 'She will rest here in this beautiful spot, where only swans and other birds will come; she will rest in German earth and Swedish stone. The vault will serve for all eternity, as the walls are 1 metre 80 centimetres thick.'

8. On the return walk to our motor General Göring told me that the interment will take place on the 20th June in the presence of numerous detachments of the S.A., S.S. and Reichswehr, and also a number of aeroplanes. At times he stopped and drew me pictures in the sand with his harpoon of the mausoleum as it will look years hence, when newly-planted German trees will flank it yet more worthily.

9. The whole proceedings were so strange as at times to convey a feeling of unreality; but they opened, as it were, a window on to Nazi mentality, and as such were not, perhaps, quite useless. The chief impression was that of the almost pathetic naïveté of General Göring, who showed us his toys like a big, fat, spoilt child: his primeval woods, his bison and birds, his shooting-box and lake and bathing beach, his blonde 'private secretary', his wife's mausoleum and swans and sarsen stones, all mere toys to satisfy his varying moods, and all, or so nearly all, as he was careful to explain, Germanic. And then I remembered there were other toys, less innocent, though winged, and these might some day be launched on their murderous mission in the same child-like spirit and with the same childlike glee.

I have, &c.,  
ERIC PHIPPS

No. 453

*Letter from Sir E. Phipps (Berlin) to Mr. Sargent*

[C 4423/20/18]

BRITISH EMBASSY, BERLIN, June 13, 1934

My dear Sargent,

Meeting an old friend from the Reichswehr Ministry in the street one of my Staff casually enquired about the feeling in the Ministry concerning Geneva. The answer was as follows:—

All the senior and experienced officers felt that a definite breakdown at Geneva would be regrettable. The aim of the Reichswehr was to reach any kind of reasonable convention which would replace Part V of the Treaty of Versailles. 'Irgendwie muss Teil V verschwinden'—Part V must be expunged somehow or other. For until that were done the Generals felt that

some sort of moral stigma might attach to Germany in the eyes of the world if she took matters completely into her own hands. To wash out Part V would be to knock off the fetters of the convict and would give the same sense of relief. Part VIII of the Treaty (Reparations) had been expunged by a series of conventions, and this was the natural development and the safest.

Talking of the attitude of the Ministry to the Government of the moment and of the recent intrigues, he said that the great majority of the senior officers were against adventure. Things were not going too badly and the present plan was to guide or cajole Hitler into doing what was wanted. He was proving more amenable than had been anticipated. If he could be kept at the head of affairs and prevented from doing anything rash that would be the best solution. At any rate Reichenau and Blomberg were convinced that it was better to guide him gently than take chances, so long as nothing intolerable was being perpetrated.

Yours ever,  
ERIC PHIPPS

**No. 454**

*Sir G. Clerk (Paris) to Sir J. Simon (Received June 15)*

*No. 159 Saving: Telegraphic [C 3679/247/18]*

PARIS, June 14, 1934

The Minister for Foreign Affairs, whose time since he returned from Geneva has been largely taken up with the visit of M. Jevtitch,<sup>1</sup> received me yesterday afternoon.

2. M. Barthou's first care was to assure me most emphatically that the proposed 'Eastern Locarno' was in no way inspired by any feeling that the ties between England and France had weakened and that France must seek security elsewhere. He begged me to believe that that was not the case. He and the French Government and France were as firmly attached as ever to the principle of friendship with England, for on that rested the security and civilization of Europe. It was not always realised that the idea of a *rapprochement* with Soviet Russia had been started before the present French Government took office and that what had happened at Geneva had only been the continuation of those earlier efforts. It was an honest attempt to contribute to peace in Europe. I asked the Minister if he had any indication as to the view taken in Berlin over the proposal. He replied that at the moment nothing definite, so far as he knew, had occurred, for M. François-Poncet had only been able to communicate with Herr von Bülow and had not yet seen Baron von Neurath. I then asked whether, supposing Germany did come into such an agreement, it might not lead to some recognition of a certain German rearmament. M. Barthou at once replied that, in his personal view, that was a possibility. But he repeated that it was a purely

<sup>1</sup> The Yugoslav Minister for Foreign Affairs visited Paris June 10-13.

personal view and that he could of course say nothing definite until, first, Germany accepted the proposal of the agreement in principle, and, secondly, the French Government had considered the matter.

3. M. Barthou said that if, as he hoped, such an agreement of mutual guarantee between Soviet Russia, the Baltic States, Poland, Czechoslovakia, Germany and France came into being, the next step would be what might be called a Mediterranean Locarno, in which he realised that His Majesty's Government must play a part. At present such an agreement was pure hypothesis, but he felt that if it could be brought about, it would prove also the road leading to understanding between France and Italy. I gathered that he was prepared to be liberal in regard to Libya and Tunis if a genuine improvement could be brought about in the wider questions of Franco-Italian relations. I asked him whether he did not think that a first step in this direction could be made by seeking to arrive at an understanding between France and Yugoslavia and Italy. His answer was that in his view the way to arrive at such an understanding was through the more general Mediterranean Locarno which he had in mind. Incidentally, the Minister said that he had been delighted to receive M. Jevtitch but, since relations between the two countries were so good and so well ordered, such political discussions as they had had could be summed up in the phrase 'nous n'avons rien à nous dire'.

4. I took the opportunity to enquire whether there was any prospect of the Minister paying a visit to Rome. He said that there had been a sort of an invitation but that he had replied he would gladly go when the ground had been cleared beforehand and there was something definite to discuss—in fact, when his journey would be, like his forthcoming visit to England, a 'voyage de travail'. There was no point in his paying a purely ceremonial visit to Rome.

#### No. 455

*Sir G. Clerk (Paris) to Sir J. Simon (Received June 15)*

No. 994 [C 3680/247/18]

PARIS, June 14, 1934

Sir,

In his telegram No. 90 Saving,<sup>1</sup> of the 30th March last, Lord Tyrrell reported that he had learnt from a reliable source that M. Barthou and the Soviet Ambassador had had a series of informal conversations in which they had discussed the question of the U.S.S.R. joining in some system of reciprocal guarantee, and of applying for admission to the League of Nations. Subsequent despatches from His Majesty's Embassy contained passing references to what had clearly become the French policy of utilising Russia as a counterpoise to Germany. It was impossible to invest them with the

<sup>1</sup> Not printed.

stamp of authority, still more to weave them into anything approaching a connected story. The reason for this was that nothing concrete had taken shape, and that, on the French side at least, the discussions were shrouded in secrecy, all attempts to obtain enlightenment in official circles being met with evasive replies. The veil has still not been lifted so far as Parliament and the public are concerned, but I am now in a position as a result of my interview with M. Barthou, reported in my telegram No. 159 Saving<sup>2</sup> of today's date, and of conversations with M. Léger and others, to give you a brief history of the negotiations which appear now to be on the point of maturing.

2. The policy of drawing closer to Russia may be said to have been initiated by M. Herriot's visit to Moscow in August last. M. Herriot came into office in 1932 determined to effect a reconciliation with Germany. His first advances were quickly followed by a series of events which completely changed his attitude, and his belief that a show of goodwill was all that was required gave place to the conviction that nothing was of any avail, and that war was inevitable within the space of a few years. In a mood of fear and despair he conceived the idea of reverting to the pre-war policy of friendship with Russia as an insurance against German aggression; and he has pursued it unswervingly ever since. That this policy did not bear fruit more quickly is due, partly to M. Herriot's loss of influence, partly to the delicacy and difficulty of the negotiations, and partly to the delaying influence exercised by the French Ministry for Foreign Affairs, who, for a variety of reasons, thought it unwise to be too precipitate.

3. The first concrete proposal, I am assured, came from the Russian side, and took the form at that date of a Franco-Russian alliance. This idea, whatever M. Herriot may have thought, found no favour with the Ministry for Foreign Affairs, who profess to be strongly opposed to a return to anything resembling the pre-war system of alliances, and seek to maintain the closest possible collaboration with Great Britain as the mainspring of French policy. The Soviets were gradually persuaded to abandon their project and to accept in its place the conception of a collective pact of mutual assistance, to be guaranteed in some way by France. This plan has recently been brought to the point of fruition, and now assumes the shape of a limited regional pact, forming, if it materialises, a kind of eastern pendant to the main treaty of Locarno. The French desired that it should be confined to Germany's neighbours, since, if it were not strictly circumscribed, it would quickly assume such unwieldy proportions as would render its success uncertain. Their first idea was that it should be restricted to Russia, Poland, Czechoslovakia and Germany. The Soviets, however, insisted on the inclusion of the Baltic States, on the ground that it was through them that Germany could most easily launch an attack. All suggestions, therefore, such as are being made by the press, to the effect that the pact is to include the Little Entente and even the Balkan Entente, are incorrect. The participation of Germany, in the French view, is an essential feature, though whether, if she

<sup>2</sup> No. 454.

declined, they would allow the whole scheme to lapse, I am not yet in a position to say. I do, however, believe that they are sincere in desiring Germany's participation. M. Barthou went so far as to say, as reported in my above-mentioned telegram, that if Germany joined he would be prepared, so far as he himself was concerned, to admit a certain measure of German rearmament, though in the light of past experiences it would be well not to place unlimited faith at present in this assurance.

4. This regional pact, as at present conceived, is to provide for mutual assistance between the signatories in the event of anyone of their number being the victim of an unprovoked aggression by another. The French guarantee is to be arranged in the following way: If Russia is the victim of an unprovoked aggression in violation of the proposed eastern pact, France will go to her assistance; conversely, if France is the victim of an unprovoked aggression in violation of the Treaty of Locarno, Russia will afford her all assistance in her power. France will thus be a connecting link between the western and eastern Locarnos.

5. A condition of this scheme so far as France is concerned is that the U.S.S.R. should join the League of Nations. I am authoritatively informed that this was not at first their intention. They ended, however, by giving way when it was explained to them that the French guarantee would otherwise be unworkable, since France would be prevented by the Treaty of Locarno from attacking Germany in the event of a German aggression against Russia, if the latter were not a member of the League, whereas, if she were, it would be possible for France to go to Russia's assistance under provisions of the Covenant which the Treaty of Locarno expressly leaves intact. The Soviets then made a number of conditions which they desired to attach to their entry into the League, but they were none of them feasible and were easily disposed of.

6. M. Barthou is in communication on this scheme with the Governments of Germany, Poland and Czechoslovakia. Although M. François-Poncet made no headway with Herr von Bülow, who was entirely uncompromising, other first contacts which he has had have been, I am assured, not discouraging. No trouble is anticipated from Czechoslovakia. Considerable difficulty, on the other hand, will doubtless be made by Poland, who, the French believe, is pursuing under Marshal Pilsudski a narrow and self-seeking policy. M. Barthou hopes, however, to overcome her objections, especially as she would be in an invidious position were she to refuse to participate in any scheme, designed to promote better relations all round, to which her neighbours were ready to subscribe.

7. This Franco-Russian plan is, of course, so far as the French are concerned, the outcome of their efforts to organise security before proceeding any further on the road of disarmament. Both M. Barthou and M. Léger assured me that they had chosen it in preference to any scheme based on alliances of the pre-war kind. It is in harmony, they maintain, with the traditional French post-war conception of collective effort under the League of Nations. As such, they believe that it cannot do otherwise than meet with



the approval of His Majesty's Government, with whom it is their policy to maintain the closest possible collaboration, notwithstanding the fact that they are compelled to look elsewhere than to Great Britain for the additional security without which further progress in disarmament is in present circumstances impossible. Above all, they made a point of the inclusion of Germany so as to avoid any suggestion of a desire to encircle her and in order to facilitate her return to the League.

8. I gather that the French do not anticipate that in the event of a German aggression on France the Russian army, even if it were possible for it to leave its own frontiers, would be of any great practical assistance. The very existence of an Eastern Locarno would, however, they think, exercise a restraining influence on Germany, and, in the event of hostilities, at least do something to embarrass her. On the other hand, Russia, they think, will stand to gain considerably, as she will be relieved of the anxiety of a war on two fronts. In this connexion M. Léger told me that the Soviets have reason to believe that, even though nothing may exist on paper, there is an understanding between Germany and Japan that in the event of either being at war with Russia the other will keep her engaged at the other extremity of her vast territory.

9. As stated earlier in this despatch, the French public is as yet unaware of the details of this scheme. Indeed, I understand that the Council of Ministers even is not yet fully cognisant, and I was consequently asked to treat the information as confidential for the time being. So far as the press or public, who know that something of the kind is on foot, have expressed themselves, they have done so with a certain reserve. In Right circles at least a note of warning is struck against the placing of any reliance on Russia, though opposition is not likely to be encountered from Socialist or Radical quarters. I will watch developments and report further on the public reaction as the details of the scheme become more generally known.

I have, &c.,

GEORGE R. CLERK

No. 456

*Sir G. Clerk (Paris) to Sir J. Simon (Received June 19)*

*No. 998 [C 3827/85/17]*

PARIS, *June 14, 1934*

His Majesty's Representative at Paris presents his compliments to the Secretary of State for Foreign Affairs, and has the honour to transmit to him a despatch from the Military Attaché recording a conversation with General Gamelin.

*Colonel Heywood to Sir G. Clerk*

No. 6.

PARIS, June 13, 1934

Sir,

I have the honour to inform Your Excellency that I saw General Gamelin, Chief of the French General Staff, at the Ministry of War on the evening of the 11th June.

2. He expressed regret at not having been able to see me before owing to his sudden departure for Geneva, where he had been sent to represent Marshal Pétain. It had first been decided to send the three Defence Ministers as a sign of the solidarity of the French Cabinet behind M. Barthou in his representation of French policy at Geneva, but only M. Piétri was able to go, as General Denain had some other important engagement which prevented him, and Marshal Pétain was not of a suitable age to attend such conferences. General Gamelin was therefore sent to represent him and to be available in case any unforeseen developments occurred. The beginnings at Geneva had been somewhat difficult, but everything smoothed out as soon as Anglo-French solidarity had become evident once more, particularly as it received the close support of the United States. What he had seen at Geneva confirmed General Gamelin more than ever in his opinion that, whenever England and France stood together, everything became easier and peace was assured.

3. Germany's military situation was improving very rapidly, even more rapidly than the French General Staff had believed possible six months ago. Their information was that the Reichsheer now amounted to 220,000 men, and would reach 300,000 in October. These numbers consisted of the original 100,000 long-service men, the balance being made up of men enlisted on an eighteen months' engagement. Germany had her twenty-one Reichsheer divisions in existence now; the French had expected that they would be brought out into the open in April, but, owing to the international situation, Hitler had thought it wiser to refrain from announcing the fact to the world yet.

4. Whilst at Geneva he had asked one of the French financial experts to draw up a graph, based entirely on League of Nations information, showing two curves of imports of raw materials into Germany since January 1933: one curve to show imports of raw materials which could be used for warlike purposes and the other curve to show imports of raw materials which could not be used for war materials. These curves showed that the imports of warlike raw materials had steadily increased, whereas the imports of peaceful raw materials had steadily decreased.

5. The progress of German rearmament was such that, whereas, six months ago, the French thought Germany was working on a programme which would enable her to possess a full-size army by 1938, now he believed that they would have carried out the greater part of that programme by the end of

1935; in other words, by 1935 Germany would be able to mobilise an army of 100 divisions composed as follows:—

Forty-two Reichsheer divisions, by duplicating on mobilisation the existing twenty-one divisions.

The equivalent of seven or eight divisions mobilised as *Frei-Jäger* corps formed mainly from the police, with the addition of a certain number of picked S.A. and S.S. men.

Fifty Grenzschutz divisions, of which thirty-five are on the Polish and Czechoslovakian frontiers and fifteen on the French and Belgian frontiers.

6. Such an army would enable Germany to guard her frontiers and hold defensive fronts with her Grenzschutz divisions, dispose of thirty-five good attack divisions and use the balance of fifteen good divisions as reserve on the defensive fronts; such an army would enable Germany to fight an offensive war on the Polish or Czechoslovakian fronts, or both, or to attack on the Western front on a 250-kilom. front, that is from Switzerland to Liège or from Thionville to Holland.

7. This made it very necessary for France to complete her fortification programme as soon as possible; that is why new credits had been asked for that purpose. Incidentally, it had been stated that over-expenditure amounting to 800 million francs had been incurred; this statement was correct financially, but incorrect in fact: 450 million francs of this sum were due to cuts to that amount having been made in the last two budgets on expenditure already engaged; instead of being met out of revenue, these 450 million francs would now be met with money raised by loans on which only interest would have to be paid out of revenue; this left only 350 million francs which had been over-spent owing to under-estimates and increases in costs of material.

8. General Gamelin then showed me on the map the areas in which the new fortifications are to be started at once; he added that, thanks to the experience they had now got in the construction of fortifications, this new programme would be completed in two years. The question of effectives, however, would become acute in 1935; with France's defensive strategy the problem was almost a mathematical one, as a definite number of men would be required to hold a definite length of frontier. Measures would have to be taken to provide the required number of men; he had no doubt that the French nation, when it realised the extent of the German threat and the means adopted by Germany to provide her own effectives, would not hesitate to make whatever sacrifices were necessary to provide the men necessary for the defence of the national soil.

9. He himself thought that we should succeed in avoiding war; in Germany the Reichswehr had many sensible leaders who were definitely acting as a brake on the rash impulses of some of Hitler's advisers. On the other hand, whilst Germany's military situation was improving rapidly, her economic situation was rapidly growing worse. Should the economic situation become desperate, there might arise the danger that some Nazi leaders, overruling the German General Staff, might seek to save the régime by

engaging in a new war on the ground that war could not put them in a worse situation economically, whilst a successful war might bring in compensations; in other words, we should witness a conflict between wisdom and folly, and it was impossible to say which would win the day. It was therefore necessary for France to be prepared in case folly should prevail.

I have, &c.,

T. G. G. HEYWOOD,  
Colonel, G. S., *Military Attaché*

**No. 457**

*Sir E. Phipps (Berlin) to Sir J. Simon (Received June 16)*

*No. 126 Saving: Telegraphic [C 3743/247/18]*

BERLIN, June 15, 1934

Minister for Foreign Affairs told Czechoslovakian Minister that he had seen M. Litvinov for about twenty minutes here on the latter's way back from Geneva to Moscow.

M. Litvinov suggested that Germany should join an eastern Locarno but Baron von Neurath said she would never do so until she had 'Gleichberechtigung'. M. Litvinov retorted that if she still really felt herself insufficiently armed she should all the more join some such system of pacts but Baron von Neurath maintained his point of view.

Repeated to Moscow.

**No. 458**

*Sir G. Clerk (Paris) to Sir J. Simon (Received June 19)*

*No. 1001 [R 3437/3366/67]*

PARIS, June 15, 1934

Sir,

In continuation of my telegram No. 159 Saving<sup>1</sup> and my despatch No. 994,<sup>2</sup> both of yesterday, I have the honour to report that M. Barthou and his advisers appear to be seriously considering the proposal for a southern, or Mediterranean, pact, which would include the States omitted from the Eastern Locarno Pact, and thus complete the system of European security. The project was mentioned to you by the Turkish Minister for Foreign Affairs at Geneva on the 31st May.

2. The conception is, of course, not a new one: it was broached, you will remember by the French delegation at the time of the London Naval Conference,<sup>3</sup> but was dropped for the reason, largely, that it found little favour in the eyes of His Majesty's Government. The ground on which it is now

<sup>1</sup> No. 454.

<sup>2</sup> No. 455.

<sup>3</sup> See Volume I of this Series, Chapter III.

being revived is, first, that something must be done for the southern States and, secondly, that there appears to be no other way of improving relations between Italy and Yugoslavia, which are recognised to be the crux of the situation in South-Eastern Europe. When M. de Chambrun was appointed to succeed to M. de Jouvenel as French Ambassador in Rome, the French Government, for the third time, suggested that Italy should be associated in the treaty between France and Yugoslavia. The reply was once again discouraging, and the Ministry for Foreign Affairs are now convinced that it will never be otherwise. Indeed, M. Léger told me that the Italian Ambassador had admitted to him privately that Italy's *amour-propre* would never allow her to fall in with the suggestion. A more general arrangement, the Ministry think, might receive Italian support if Signor Mussolini were allowed to play a prominent part in it. The details of such a plan have not yet been thought out, but I understand that British participation in some way or another would be considered an essential feature. The idea, so far as it has yet taken shape, is that such a pact would embrace all Mediterranean States, including even Roumania, who would otherwise be the only member of the Little Entente unprovided for, on the pretext that the Black Sea is connected with the Mediterranean. Bulgaria might, I suppose, be also included on that ground.

3. As I have already indicated, the idea at present is still in the embryo stage. So far, however, as it has taken shape, I have been given to understand—though not in so many words—that it appeals to M. Jevtitch, whom M. Barthou and M. Léger found, so they told me, to be a man of wide views and sound commonsense. He is, my informants said, profoundly disturbed at the difficulty of placing the relations between his country and Italy on a more satisfactory footing. Pending the discovery of some effective method, he is said to realise that there is nothing for it but to turn a deaf ear and a blind eye to Italian provocation, although he knows that recent outrages in Yugoslavia have been deliberately fomented from that quarter. The French Government, for their part, never cease, I am assured, to counsel moderation and patience.

I have, &c.,  
GEORGE R. CLERK

No. 459

*Minute by Mr. Sargent*

[C 3863/247/18]

FOREIGN OFFICE, June 16, 1934

The German Ambassador referred yesterday to the conversation he had had with the Secretary of State on the subject of an Eastern Locarno, which is recorded in Foreign Office despatch to Berlin No. 638<sup>1</sup> of the 12th June. He wished the Secretary of State to know that M. Litvinov had, as expected,

<sup>1</sup> No. 450.

mentioned to Herr von Neurath the project for such a multilateral non-aggression pact and had invited Germany to become a party. But M. Litvinov had put forward the proposal in much vaguer terms than M. François-Poncet had, and more particularly no mention was made of the suggestion that Russia should guarantee the existing Treaty of Locarno.

Herr von Hoesch thought that it was worth noting that M. Litvinov, in making his communication, gave it to be understood that the whole proposal was a French, rather than a Russian, one.<sup>2</sup>

O. G. SARGENT

<sup>2</sup> This minute was copied to Berlin and Moscow in a despatch of June 23.

No. 460

*Sir E. Phipps (Berlin) to Sir J. Simon (Received June 20)*

*No. 129 Saving: Telegraphic [C 3895/247/18]*

BERLIN, June 19, 1934

My telegram No. 126 Saving.<sup>1</sup>

Minister for Foreign Affairs confirms to me that he declined M. Litvinov's proposal that Germany should join an Eastern Locarno but reason His Excellency told me that he had given for refusing was unwillingness of the German Government to belong to any *bloc* of Powers, for that would merely be to repeat the mistake committed before the war. M. Litvinov said that he had been urged by M. Barthou to put forward this proposal to Baron von Neurath.

His Excellency told me that he knew M. Litvinov very well and asked him why he had recently suggested that Germany should join with Russia in guaranteeing the independence of the Baltic States. M. Litvinov replied that the reason was Russia's fear of German expansionist policy to the East as advocated by Herr Rosenberg. Baron von Neurath retorted that Germany had no sort of aggressive intentions against Russia and still less against Baltic States but she had no intention of sharing in M. Litvinov's 'pactomania'. M. Litvinov would moreover be well advised not to take for gospel unauthorised utterances of Herr Rosenberg. The truth was that Russia was terrified of Japanese aggression and therefore wished to re-insure herself in the west (this M. Litvinov did not deny) but Germany would not join any *bloc* although she was quite willing to conclude bilateral pacts of non-aggression with individual Powers. M. Litvinov had also expressed fears regarding German expansionist wishes in the Ukraine but these also Baron von Neurath had swept away. His Excellency finally told M. Litvinov that the last thing Germany wished was to annex any territory that would bring with it future Russian citizens for the Reich.

Repeated to Moscow.

<sup>1</sup> No. 457.

No. 461

*Sir J. Simon to Sir G. Clerk (Paris)*

*No. 931 [C 3803/247/18]*

FOREIGN OFFICE, *June 19, 1934*

Sir,

The French Ambassador called to see Sir Robert Vansittart on the 14th June, and, emphasising that he was speaking without instructions, enquired whether His Majesty's Government in the United Kingdom had noticed the report that, in connexion with the conclusion of an Eastern Locarno Treaty, Russia should guarantee the Western Locarno Treaty. He wished to know whether His Majesty's Government had any comments to make on the suggestion; and he said that it was still only, so far as he knew, a suggestion. But he felt that it was better for Anglo-French relations that comment should be made before rather than after more substantial progress had been made in the elaboration of this idea.

2. Sir Robert Vansittart replied that he would report M. Corbin's enquiry.

3. Generally speaking, it appears unnecessary at the present juncture for His Majesty's Government to make any observations to the French Government on this scheme, particularly as it may never reach maturity; and as the French Government have not yet asked officially for the comments of His Majesty's Government.

I am, &c.,  
JOHN SIMON

No. 462

*Sir E. Drummond (Rome) to Sir J. Simon (Received June 20, 9.30 a.m.)*

*No. 187 Telegraphic [R 3510/37/3]*

ROME, *June 20, 1934, 1.55 a.m.*

Signor Suvich gave me some account this evening<sup>1</sup> of Venice conversations and certain supplementary talks which he had had with Baron von Neurath.

2. He explained that conversations between Herr Hitler and Signor Mussolini had lasted four hours, that Herr Hitler had held forth at length and that Signor Mussolini had listened patiently. Herr Hitler had given him the impression of being loyal and straightforward but it was difficult to get him away from generalities. He had been much moved at reception he had been given and tears were continually in his eyes. Signor Mussolini had noticed this and had remarked to Signor Suvich 'that is his weakness'.

3. Three main topics of conversations were:—

*Austria.* Herr Hitler had said that either elections ought to be held at once or that a proportion of Nazis ought to be admitted to the Government. Signor Mussolini had replied that to ask Herr Dollfuss to hold elections in

<sup>1</sup> This telegram was drafted on June 19. Herr Hitler visited Venice from June 14 to 16.

the present circumstances and with the existing Nazi pressure was to request him to sign his death warrant and to this Italy could never agree. As regards admission of Nazis to the Government this must depend on whether such Nazis genuinely supported interdependence [*sic*] of Austria. If they were simply to depend on Munich and on Berlin, proposal was quite unacceptable.

4. Signor Suvich had said to Baron von Neurath that the present Nazi régime of terrorism was intolerable and Baron von Neurath had remarked that there were violent quarrels proceeding in Bavaria between the (?Austrian)<sup>2</sup> Nazis and S.A. and that the situation was completely out of control of the Government. Signor Suvich hoped that the present terrorism which he characterised as an 'outrage on humanity' might cease but if it did not Herr Dollfuss would have to take strong measures. It might be that Herr Dollfuss should appeal to Geneva if he considered such action would help him. Apparently question was left in this somewhat vague and unsatisfactory state.

5. *Disarmament.* Herr Hitler had repeated his well known demand and had indicated that he was willing to accept Italian memorandum. The French would keep their present superiority in offensive weapons and German armaments would be solely defensive. Signor Suvich said to Baron von Neurath that this was all very well but meanwhile Germany was re-arming fast. Baron von Neurath replied that such rearmament was within the limits of defensive armaments laid down by Herr Hitler but he added that Germany would not reduce her demands by one man or by one rifle. Herr Hitler was asked whether he was ready to establish contacts for further negotiations and he replied certainly—any contacts that could be useful.

6. *League of Nations.* Herr Hitler and the Baron both stated that Germany would not return to the League until she had secured 'Gleichberechtigung'.

7. Minor subjects of conversation were internal affairs of Germany which Signor Suvich gathered were in a very bad way, and German difficulties with the Vatican.

8. Mention was also made of Russian proposal for an Eastern Locarno. German Government had received this and was not favourably disposed towards it nor were the Italian Government since neither Great Britain nor Italy were to be parties to agreement. I said to him German press seemed to be presenting conversations rather as if Italian-German friendship were counterbalance to other arrangements and indicating thereby division of Europe into two camps. Signor Suvich emphatically stated that this was entirely untrue and utterly contrary to Signor Mussolini's policy.

9. Signor Suvich enquired of me whether M. Barthou was in fact going to London and I said that the only information I had was that contained in the press but from reports it seemed certain that this visit would take place after M. Barthou had been to Belgrade and Bucharest.<sup>3</sup> I observed that reasons for M. Barthou's visit were probably the same as those which had led to Signor Suvich himself going to London. I should be grateful if I could

<sup>2</sup> This insertion was suggested in the Foreign Office.

<sup>3</sup> M. Barthou visited Belgrade and Bucharest between June 20 and 26.



receive further information on this point to convey in due course to Italian Government.<sup>4</sup> Signor Suvich said that he had mentioned to my French colleague yesterday possibility of visit by M. Barthou and even by M. Doumergue to Rome. He intended to devote his attention to possibility of these visits.

10. As I left Signor Suvich again explained the difficulties of pinning down Herr Hitler to anything concrete in conversation of four hours' duration.

11. I gather general effect of talks has been indeterminate and apart from fact that Herr Hitler and Signor Mussolini had established friendly personal relationship nothing new has in reality resulted.

Repeated to Berlin.

<sup>4</sup> Sir E. Drummond was informed by telegram on June 21 that he could now confirm to Signor Suvich that M. Barthou would visit London July 8-10 and that the talks would be of a general character like those with Signor Suvich. M. Barthou had indicated privately to Sir J. Simon while he was at Geneva, May 27-June 1, that he would be very willing to pay a visit to London. The French Delegation later raised the same question with Mr. Eden. In his telegram No. 53 of June 7 authorizing Mr. Eden to arrange a visit by M. Barthou, Sir J. Simon stated that 'it would be best for the matter not to be represented either as a solicitation on his part or as an invitation from us, but rather as a natural arrangement welcome to both sides'.

#### No. 463

*Sir G. Clerk (Paris) to Sir J. Simon (Received June 22)*

*No. 1024 [C 3942/291/17]*

PARIS, June 20, 1934

Sir,

In view of M. Barthou's forthcoming visit to London, it may be useful if I attempt briefly to define what appear to me to be the principles now guiding French foreign policy.

2. The first consideration to be borne in mind is that the present French Government is to all intents and purposes a Government of the Right. Neither M. Daladier nor M. Paul-Boncour, who were responsible for foreign policy last year, has any place in the National Government, whilst M. Herriot, who was Foreign Minister in the first year of the cartel Government and is now a Minister without portfolio, long ago succumbed to the panic inspired in him by the Hitler régime in Germany. The strong men in the present Cabinet are MM. Tardieu, Marin and Barthou. The result is that, whilst under the recent Left Governments security and disarmament were coupled together, security has now taken first place as the objective with disarmament a bad second. M. Doumergue and his colleagues have no confidence in any German signature, and the Centre and Right parties, which form the larger part of the majority in the Chamber, have no repugnance to armaments as such. The commercial interests of the Comité des Forges and the professional views of the General Staff also carry more weight with the present Government than with its predecessors.

3. The first manifestation of the change has been the intensive action undertaken to revive the satellite system. M. Barthou has already visited Warsaw and Prague, and he is now on his way to Bucharest and Belgrade. The Left Governments regarded the small States of Eastern Europe as liabilities rather than assets; they withheld funds and gave them clearly to understand that they must make their own peace with their neighbours. In the case of Poland the political system of Marshal Pilsudski aroused positive antipathy among the French Radicals and Socialists. Now this is all changed.

4. The result of this evolution has been the relegation of disarmament into the background pending the further development of security. This was first demonstrated in the French note of the 17th April, and further proved during the recent discussions at Geneva. M. Daladier was prepared last October to agree to a convention providing for a measure of French disarmament in conjunction with a measure of German rearmament on condition that effective supervision and adequate guarantees of execution were forthcoming; M. Doumergue refuses to accept the revised British plan on any conditions attainable today.

5. French policy—in the words of the Nationalist press—has once again become ‘strong and positive’. This may be interpreted as meaning that France is no longer looking for favours or subordinating her policy to pressure from Great Britain, the United States or Italy, but that she is seeking to assume the initiative in Europe. Those who concur are welcome to co-operate; those who disagree are expected at least not to interfere. This last manifestation is exemplified in the Franco-Soviet plan for an Eastern Locarno, which has become the central feature in French policy. In my despatch No. 994<sup>1</sup> of the 14th June, I described its genesis and development. France, being unable to obtain from Great Britain those precise guarantees of security which in the opinion of the present French Government would alone justify disarmament, has decided to fashion a system of security of her own, independent of Great Britain, which, if accepted by Germany, will enable disarmament again to be discussed. If not accepted by Germany, the system becomes automatically the best method of restraining Germany. The first steps have already been taken in the shape of the recent recognition of the Soviets by the Little Entente and of the preparations which are being made for the entry of the Soviets into the League. This Franco-Soviet policy has the additional advantage of appeasing the Socialists and the Radicals at home at the time when the French Government is in almost all other respects reversing the disarmament policy of the cartel. Whilst it is extremely doubtful whether the French Government has any serious illusions on the value of any actual Soviet intervention in Europe, it undoubtedly believes that an additional and most substantial contribution can thus be made towards stability in Eastern Europe. The entry of Russia into the League is not a bad counterpart to the departure of Germany, whilst the effect of her solidarity with France may be expected to have a sobering effect on Germany and even Poland. In Right circles some doubt is expressed of the

<sup>1</sup> No. 455.

wisdom of any partnership with the U.S.S.R., but, in view of the need of rallying all possible sources of assistance, the policy is likely to command the support of the country as a whole.

6. Poland is the uncertain factor which may wreck the new system. Marshal Pilsudski is believed to harbour territorial ambitions in Lithuania and the Ukraine which Germany would be quite willing to see satisfied, especially as they might be compensated by adjustments of the German-Polish frontier. The two semi-military dictatorships in alliance might achieve much. If both Germany and Poland stood out of the Eastern Locarno, it would scarcely be an effective instrument, even with dubious Soviet assistance, in safeguarding the treaty position in respect of Austria, Czechoslovakia and the Baltic States. M. Beck's attitude at Geneva when the subject was discussed is stated to have been conspicuously detached.

7. The National Government is at pains to forestall any charge of pursuing the encirclement of Germany by its new policy. It insists that its support of the Soviet scheme was made conditional on Germany also being invited to be a party, and that it can only become a policy of encirclement if Germany refuses to join. M. Barthou has let it be understood that Germany's acceptance might enable him to pave the way for her return to Geneva by legalising in such an event a measure of German rearmament. Whilst I believe that France is sincere in her desire to include Germany in this system of security, I cannot speak with equal authority of the motives of the Soviets and the Little Entente. I have, in fact, been told that Czechoslovakia and the Soviets would be seriously disappointed if Germany joined.

8. Whilst security in respect of Eastern Europe is to be achieved by the Franco-Soviet pact system, a plan for a Mediterranean pact is also being studied with a view to provide security in the South, where relations between Italy and Yugoslavia constitute another danger spot. This scheme, which is described in my despatch No. 1001<sup>2</sup> of the 15th June, is admittedly in a far less advanced stage than the Eastern Locarno. If, however, it materialises, the framework of Europe would be sustained by three pact systems—in the West, the East, and the South. Although this new policy is admittedly independent of British support, the Government having taken to heart the repeated declarations of British statesmen that His Majesty's Government can accept no further commitments in Europe beyond those of Locarno, it is certainly not intended to herald the end of collaboration with Great Britain. Indeed, great disappointment has been expressed, both in official and other circles, at the critical attitude which is believed to have been adopted by His Majesty's Government towards the Eastern pact system. It was expected that Great Britain would welcome and encourage the independent efforts of France to provide for herself by other means than British guarantees the security which was the essential preliminary to disarmament.

9. Underlying the policy which found expression in the French note of the 17th April was undoubtedly the Weygand school of thought, which holds (or then held) that, thanks to her superior equipment and with the aid of her

<sup>2</sup> No. 458.

allies, France can more than hold Germany for some time to come. Before Germany could have any chance of waging a successful war she must accumulate an overwhelming excess of material with which to overcome in attack the advantage enjoyed in modern warfare by the defence. The Government is watching intently the difficulties which it believes to be closing in on Herr Hitler, and, without going so far as to count on his early downfall, it believes that he may well prove more accommodating henceforth, provided France shows the firm hand. Finally, there was the hope, encouraged by French press correspondents in England and by the occasional utterances of prominent but irresponsible politicians, that British opinion, under the influence of German air rearmament, would move steadily in the direction of fresh and more precise guarantees, if not actually of an alliance, in respect of Western Europe. In these circumstances, the Government felt that, time being on its side, it could afford to ignore for the present any foreign criticism to which its attitude might expose it. In the meantime, the project of an Eastern Locarno, if accepted by all parties concerned, would consolidate Eastern Europe, and, coupled with the Western Locarno, would provide the nearest attainable approach to the French ideal of a watertight system of automatic guarantee. This feeling that time is on the side of France, and that she can afford to wait on events without fear of a German aggression in the near future, may possibly be modified before long. The General Staff, which, incidentally, is deeply impressed with the rapid acceleration of the process of unilateral rearmament in Germany, is beginning to fear the possibility that under the pressure of an increasingly difficult internal situation Hitler himself, or, more probably, those who replace him in the event of his downfall, may commit the incredible folly, in a forlorn endeavour to maintain the régime, of staking everything on the success of a military adventure. It is on this ground that Marshal Pétain, the Minister of War, hopes to persuade M. Doumergue to ask Parliament to abandon the law which was recently passed with the object of helping to provide for the 'lean years' by holding over a portion of the annual contingents. Whether General Gamelin's fears are now shared by General Weygand I am unable at present to say. But, in any case, if, as I am informed, Marshal Pétain proposes to make this argument the basis of his appeal for a modification of the existing laws relating to military service (see enclosures in my despatch No. 1023<sup>3</sup> of today), there is at the least a possibility that the Government, impressed with the apprehensions of the General Staff, may decide that it cannot afford to neglect the possibility of a surprise attack, such as the General Staff now think that Germany may be ready to launch as early as next year. It is too soon as yet to forecast the effect on the general policy of the Government in the event of its deciding that the possibility is one which must be seriously reckoned with.

10. The question may be asked how France, in view of the seriousness of her financial and economic situation, can afford to depart from a policy which was leading to economy in military credits in order to engage upon one which will compel her not only to maintain her armaments at their existing

<sup>3</sup> Not printed.

level, but to make herself directly responsible for the financing of those of the Little Entente. The answer, I think, is that the financial position has undoubtedly much improved; the credit of the State has risen, and the new system of taxation to be introduced is expected to result in larger revenue. Some difficulty may be encountered with public opinion, but I doubt whether it will be formidable. So far as the parties in the Chamber are concerned, Socialist opposition, if vociferous, is scarcely effective, whilst the Radicals are not in a position to offer much resistance. On the other hand, the extra-parliamentary bodies, such as the Croix de Feu and the Right wing ex-servicemen, approve a strong and vigorous foreign policy. The fear of Germany is easily aroused, and it would be unwise, in my opinion, to suppose that either financial considerations or popular opposition are likely to embarrass the Government's foreign policy, at any rate in the early future.

I have, &c.,

GEORGE R. CLERK

No. 464

*Sir G. Clerk (Paris) to Sir J. Simon (Received June 21)*

*No. 171 Saving: Telegraphic [R 3543/37/3]*

PARIS, June 21, 1934

In reply to my enquiry M. Léger told me yesterday that M. Barthou's meeting in Vienna with Herr Dollfuss<sup>1</sup> had only been arranged forty-eight hours before his departure. Herr Dollfuss had originally asked M. Barthou to break his journey in Vienna. M. Barthou had refused because his visits were intended to complete his round to the capitals of France's allies, and he did not wish to diminish the importance of these visits in their eyes by introducing any others. He had reason to know that if he paid a formal visit to Vienna he would be pressed to go to Budapest. He had also recently received invitations to visit Athens and Ankara. It would have been difficult to discriminate nor had he the time or the wish to go further afield at present; it had then been suggested that he should go on by a later train which would enable him to spend at least a few hours in Vienna. This also he had declined to do, but, in order not to cause disappointment, had agreed to have a short talk with Herr Dollfuss in the train during the half-hour or so that it stayed in Vienna.

2. M. Léger confirmed the press reports to the effect that during the conversation, which was necessarily of a very general character, M. Barthou reaffirmed the intention of France to uphold the independence of Austria; he had also undertaken to renew the previous appeals to the Little Entente Governments to do everything possible to help Austria economically. On his side Herr Dollfuss had said that he did not fear the effect on the internal situation of the terrorist campaign; on the contrary it would strengthen the opposition to German interference. It was however having a disastrous effect

<sup>1</sup> On June 19.

on Austrian economy both by alarming the inhabitants and keeping away tourists.

3. Herr Dollfuss had also imparted to M. Barthou such information as he had received about the Hitler-Mussolini meeting. According to his account the two dictators had not really taken to each other, nor had anything very definite transpired. The only positive item of information which had reached him was that Signor Mussolini had asked Herr Hitler whether his demand for an army of 300,000 men was an irreducible minimum and that Herr Hitler had replied in the affirmative. The French Government had already received this information from an Italian source though whether through their Ambassador in Rome I am not sure. I gathered that M. de Chambrun has had a brief account of the meeting from M. Suvich, who was not communicative, but that he has not yet been able to see Signor Mussolini to obtain his personal version.

**No. 465**

*Sir G. Clerk (Paris) to Sir J. Simon (Received June 21)*

*No. 175 Saving: Telegraphic [C 3936/247/18]*

PARIS, June 21, 1934

My despatch No. 994.<sup>1</sup>

I asked M. Léger yesterday whether he had any further information as to the reception in Berlin and Warsaw of the Franco-Soviet plan for an Eastern Locarno. He replied that the indications were bad. It was now apparent that Germany was hostile but in default of a plausible pretext for refusing to join was waiting in the hope that the onus of refusal would be borne by Poland, who also was hostile and equally embarrassed to find a reasonable ground for holding aloof. Both, particularly Poland, were waiting on the attitude of Great Britain. Germany would certainly not come in if Poland did not, but if Poland came in it would be very difficult for Germany to refuse. The key to the situation therefore lay in Warsaw but could probably only be turned by His Majesty's Government.

2. M. Léger therefore besought me to beg you to use your influence in favour of the scheme in Berlin, Warsaw and Rome, particularly Warsaw. He included Rome as the Italian Ambassador had expressed the opinion that Italy's final attitude would probably depend on that of His Majesty's Government; in the meantime there was every likelihood, M. Léger thought, that Signor Mussolini was surreptitiously discouraging Hitler from coming in.

3. M. Léger then went on to assure me once more in the most solemn terms that the French Government was absolutely sincere in desiring the participation of Germany. The original Russian offer had been one for an unconditional alliance, unlimited as regards both the *casus foederis* and the scope of the assistance to be rendered; it had taken eight months to persuade the Soviets to agree to abandon this dream in favour of a comprehensive

<sup>1</sup> No. 455.

regional pact on League of Nations lines. He had the day before imparted that information to the German Ambassador in order that he might disabuse his Government if its hesitation was due to any belief that the scheme in its present form was nothing more than a Machiavellian design on the part of the Soviets; it was in fact the very reverse, the French Government having transformed the original Russian conception into a plan in which Germany would participate on an equal footing with the other parties, a plan which would operate in her favour in the event of a Russian aggression just as much as it would operate in Russia's favour in the event of a German aggression, a plan which, finally, by bringing France and Germany together as co-signatories, would contribute to break down their mutual suspicions and have a beneficent [*sic*] influence on their future relations. He had then gone on to warn Herr Koester that if Germany persisted in holding aloof she would throw France back on the original Russian plan, an eventuality for which he knew the Soviets were hoping.

4. When I asked with some surprise whether that was really his Government's intention and, if so, why, M. Léger replied to the first question in the affirmative and to the second by asserting that in default of the scheme which she preferred France could not afford to refuse so favourable an offer as that of a full alliance. Although its value in terms of military assistance in the field might be little or nothing, it was impossible to exaggerate the importance to France of being able to draw on Russia's vast industrial resources. In aeroplane construction alone, to mention only one instance, the French Government realised that France could not compete unaided with Germany if it ever came to war. Conversely, if the Russian offer were refused the Soviets, in their anxiety to make themselves secure in Europe, might be driven to seek a similar arrangement with Germany, who would then have at her disposal the advantages which France had rejected. The present French Government was not one whose composition would incline it to an alliance with the Soviets, but, in the absence of some arrangement on [*sic*] the West such as would set all further fears at rest, it simply could not afford to reject so favourable an arrangement as the Russian offer if the other scheme which it infinitely preferred were to fail to materialise.

5. Finally M. Léger said that the French Government was ready to answer any question which you might wish to put to it; it had nothing to hide and honestly desired the success of the scheme which it had succeeded temporarily in imposing on the Soviets as being one which had a fair prospect of leading to conciliation whereas the other was a *pis-aller* acceptable only in the present dire extremity.

6. M. Léger's remarks throughout had the appearance of being more than his mere personal views and I think it unlikely that he would have spoken as he did without the knowledge and approval of his Government.

7. He repeatedly expressed the hope that, if you felt able to encourage the Franco-Soviet scheme in Warsaw and elsewhere, you would act as quickly as possible, as he feared that the hostility which was beginning to be manifested would rapidly harden and crystallise.

*Sir E. Phipps (Berlin) to Sir J. Simon (Received June 23)*

*No. 134 Saving: Telegraphic [C 4004/247/18]*

BERLIN, June 21, 1934

The Belgian Minister came to see me this morning to say that he had last week received unofficial soundings from Herr von Papen and Herr von Ribbentrop regarding the possibility of the conclusion of a non-aggression pact between Germany and Belgium in view of the fact that there were no territorial questions dividing the two countries. Both these gentlemen made it clear that their approaches must for the present be considered unofficial, but my Belgian colleague is convinced that they have the approval of the Wilhelmstrasse. The approaches were identical, but quite separate from one another.

Count Kerchove proceeded to Brussels in order to inform his Government of these proposals, and says that their first impression was that, in view of Locarno, there did not seem to be much object in the conclusion of such a pact. After further conversation with M. Jaspar, however, the latter seemed disposed to consider the matter, provided always that (a) the pact of non-aggression should be based on Locarno, (b) it should be without time limit, and (c) it should contain a renunciation by Germany of any future claim for the return of Eupen and Malmédy. It would, moreover, be desirable for some reference to be made in the pact to the error committed by Germany in violating Belgian neutrality in 1914. Count Kerchove, moreover, has the impression that the Belgian Government would be anxious, before concluding such a pact, to obtain some precise guarantee from Great Britain to the effect that she would defend Belgium in case she were attacked (see your despatch No. 277<sup>1</sup> to Sir E. Ovey, of May 17).

Count Kerchove says that his Government are sure to approach His Majesty's Government in this matter, but that they do not intend, at any rate in the present initial stage, to say anything about the German proposal to the French Government, whose fears and susceptibilities are always so exaggerated. He does not at present even propose to return any reply to Herr von Papen or to Herr von Ribbentrop, pending further consideration by the Belgian Government.

Count Kerchove tells me that the German attitude towards Belgium has undergone a complete change since M. de Brocqueville's [*sic*] speech last March (see my telegram No. 90<sup>2</sup> of March 12), for it is only since then that the Germans believe the truth of the Belgian Minister's repeated assurances to them that Belgium is not bound by any military alliance with France, (the Franco-Belgian military agreement being merely one between the two

<sup>1</sup> Not printed.

<sup>2</sup> Not printed. This telegram reported that Herr Hitler had congratulated the Belgian Minister on M. de Brocqueville's speech of March 6 (see No. 334), saying that M. de Brocqueville had thereby done more to improve relations between Belgium and Germany than any politician since 1918.



General Staffs such as, in view of the Locarno Treaty, might equally be concluded between the Belgian and German military authorities).

The Belgian Government are, it seems, rather anxious as to the effect the initiation of negotiations for such a pact would have in France, but would be prepared to risk arousing certain French susceptibilities provided a British guarantee, such as outlined above, could be obtained for Belgium. It would, however, of course be made clear to the German Government that the conclusion of a pact would not in any way mean a change in the close relations uniting Belgium and France.

Incidentally my Belgian colleague thinks that the life of the new Belgian Cabinet will be of short duration, and that, in view of the parliamentary 'impasse' in Belgium, measures will be taken with the King's consent, and possibly by M. de Brocqueville, at the head of a Government of experts, to curtail the present powers of Parliament.

Repeated to Brussels.

No. 467

*Mr. Hadow (Vienna) to Sir J. Simon (Received June 26)*

*No. 17 Saving: Telegraphic [R 3603/37/3]*

VIENNA, June 21, 1934

French Minister informs me privately that the following were the main points of Barthou's and Dollfuss' conversation at Vienna on June 19.

1. Both had satisfied themselves that no agreement detrimental to Austrian independence had been reached at Stra. Journalist's report in my telegram under reference<sup>1</sup> was declared to be without foundation.

2. Barthou had given Dollfuss assurance that all parties in France were determined to support him 'even though they could not be in agreement with undemocratic side of his Government'. To this Dollfuss replied that he was forced to do much in return for Italian support.

3. Dollfuss asked for economic support, maintaining that German default had left him in a serious position owing to increasing pressure for similar action by Austria. Conversion of Austrian loan was discussed but I have the impression that Barthou did not commit himself to Parliamentary ratification before the holidays though this is of great importance to Austria.

4. Barthou suggested that Dollfuss might if convenient visit Paris. French Minister would like Barthou to visit Salzburg in August 'to continue helpful conversations'.

Repeated to Berlin.

<sup>1</sup> It was suggested in the Foreign Office that the reference might be to Vienna telegram No. 16 Saving (not printed) which referred to a journalist's report from Italy that Signor Mussolini had agreed to further the appointment of two National Socialists to the Austrian Cabinet in return for an assurance by Herr Hitler that Germany would respect Austrian independence.

*Viscount Chilston (Moscow) to Sir J. Simon (Received June 22, 5.30 p.m.)*  
*No. 81 Telegraphic [C 4011/247/18]*

MOSCOW, June 22, 1934, 5.10 p.m.

In the course of conversation yesterday I asked M. Litvinov if he would tell me precise nature and extent of the newly proposed Eastern Pact. He said it was one of mutual support, suggested partners being Soviet Union, Poland, Baltic States, Germany and Czechoslovakia. As to mutual support this would of course mean that if one of the parties in the Pact attacked another the rest would combine against the aggressor but that it would not cover any aggression from the outside. He added that any step taken under this Pact would of course be subject to approval of Council of League of Nations.

M. Litvinov also said that he did not see why an Eastern Locarno need necessarily have any correlation with Western Locarno nor cause any conflict of obligations or interests. The two would be under the League and not necessarily be linked up.

I asked about France and he said the initiative had been entirely hers but that while she had wished the Pact to be made France would not be in it. This, however, did not exclude the possibility that there will also be a big Pact between Russia and France as what he termed a 'reinsurance'.

M. Litvinov said that according to British press, Great Britain seemed to be against an Eastern Locarno and apparently objected to security Pacts. He complained with considerable animation that it seemed impossible to know the attitude of the British Government. He had not been able to gather this at Geneva nor had he heard from London. All that he could conclude was that we were mainly anxious to get Germany back to the Disarmament Conference.

At the end of our conversation on various matters M. Litvinov said he wished Soviet Union could have more understanding and better *political* relations with Great Britain because in his mind there was no doubt that Great Britain and Russia were the most important factors for peace of the world.

My impression is that M. Litvinov is a little ruffled and disappointed that his ideas and proposals did not receive from some Powers more attention and approval at Geneva. It may be also that he is somewhat nervous now of getting too much into the French hands. The fact, however, that he should have agreed at the instigation (so he says) of France to try to make an Eastern Locarno and also to agree to Soviet Union being proposed as a member of the League of Nations seems to prove extraordinary anxiety felt by Soviets for their security east and west. If Germany has declined to take part in the new proposed Pact as now seems to be the case it is difficult to see what is the real point for France or for Soviet Union in such eventual Pact. Nevertheless when my Italian colleague asked M. Litvinov whether refusal of Germany

would invalidate the Pact he said it would not do so; when asked what value it would then have, he replied 'perhaps a negative one'.

I told M. Litvinov that so far as I could say Great Britain was not opposed in principle to security agreements but I did not yet know the views of my Government upon these new proposals. It would, however, be difficult to form any views until full scope of the Pact was known and whether and how it would affect Locarno. I remarked that at first the idea had seemed to be one of a general security Pact; now it seemed to be one of a regional Pact of mutual assistance against a possible aggressor.

I might add that M. Litvinov told me definitely that Soviet Union has now accepted entrance into the League as necessary and is prepared for it—with certain reservations.

No. 469

*Sir E. Phipps (Berlin) to Sir J. Simon (Received June 25)*

*No. 137 Saving: Telegraphic [C 4022/1/18]*

BERLIN, June 22, 1934

At a gathering of the Diplomatic Corps and the representatives of the Foreign Press last evening Dr. Schacht repeated all his well-known transfer arguments, but with even more than his usual arrogance and defiance. He ended by trailing his coat, declaring that Germany would promptly reply to a clearing by reprisals against the British Dominions.<sup>1</sup> Referring to the reproach that German bonds had now fallen to one-third of their value, he said that the creditors should be glad that there was still one buyer (Germany) left in the market.

The speech, a mixture of banter, irony and special pleading, was very badly received by the non-German section of the audience.

A Director of the Reichsbank, unsympathetic to the new régime, told a member of my staff that the S.A. and the Nazi rank and file would welcome a campaign of autarchy. The young people were full of enthusiasm, he said, and prepared to wear rags rather than submit. He also thought that Goebbels would be glad of some new slogan to rouse the country. Apart from additional exports to England and the other creditors he himself could see no way out.

Schacht has prepared a rough scheme in the Cabinet in the event of a clearing. In addition to rationing raw material he proposes to reduce cost of production by a variety of measures in order to stimulate exports. Wage reductions are only to come at the tail end after salaries of officials have been heavily cut and other drastic measures enforced.

Owing to the political quarrels Schacht, it seems, is having very much his own way.

<sup>1</sup> A bill to enable His Majesty's Government to set up an Anglo-German Clearing Office was introduced in Parliament on June 20, as a reply to the announcement by the Reichsbank on June 14 of a transfer moratorium applying to the Dawes and Young Loans. The bill was passed on June 28 but negotiations on transfer had begun on June 26 and resulted on July 4 in an agreement, the text of which is printed in Cmd. 4640 of 1934.

No. 470

*Sir E. Phipps (Berlin) to Sir J. Simon (Received June 25)*

*No. 141 Saving: Telegraphic [C 4074/29/18]*

BERLIN, June 23, 1934

My telegram No. 140 Saving.<sup>1</sup>

Dr. Schmitt deplores rash action of Herr von Papen in making his speech:<sup>2</sup> such remarks should have been made in Cabinet in the first instance and not in public.

He tells me that Chancellor's task has only been made more difficult but that he will continue to hold balance between Right and the Left with his own inclinations favouring the former although he is at present unable to throw the latter over. Dr. Schmitt is convinced that Chancellor's position is unassailable and that he will be able in the end to do what he wishes. Both Dr. Schmitt and Herr von Meissner assure me that internal differences have been composed at any rate for the present. Dr. Schmitt is convinced that only alternative to Herr Hitler is Communism now that all parties have been broken up. Were it not for this conviction he would resign at once.

<sup>1</sup> Not printed. This telegram reported on Sir E. Phipps's conversation of June 23 with Dr. Schmitt on the transfer negotiations.

<sup>2</sup> The reference is to Herr von Papen's attack on the National Socialist régime in a speech at Marburg on June 17.

No. 471

*Sir J. Simon to Sir G. Clerk (Paris)*

*No. 976 [C 4041/247/18]*

FOREIGN OFFICE, June 26, 1934

Sir,

With reference to your telegram No. 175 Saving<sup>1</sup> of June 21, I have to inform Your Excellency that the French Ambassador called on Sir Robert Vansittart on June 22 and spoke to him on the subject of the proposed Eastern Locarno in the same sense as M. Léger had already spoken to you. He was also anxious for British support in the matter.

2. Sir Robert Vansittart told M. Corbin that His Majesty's Government had at present very insufficient information on this subject and that before they could really consider the suggestion, it would, he felt sure, be necessary for them to be in possession of fuller particulars. M. Corbin promised to supply these in a few days since it was agreed that it would be well that this information should be available in London before M. Barthou's visit.

I am, &c.,

JOHN SIMON

<sup>1</sup> No. 465.

*Sir J. Simon to Sir G. Clerk (Paris)*

*No. 974 [C 4098/247/18]*

FOREIGN OFFICE, *June 27, 1934*

Sir,

The French Ambassador came to see Sir Robert Vansittart this morning and, in accordance with his promise of last week, left the annexed memorandum on the proposals for an Eastern Locarno Treaty.

2. He spoke at some length, developing the five points set out in Annex No. II. He dwelt particularly on the fourth point, that is the necessity, according to the French view, of British support and approval in Germany, Italy and Poland. His remarks in this connexion tally with those already made to Your Excellency by M. Léger (see your telegram No. 175 Saving<sup>1</sup> of the 21st June).

3. He added that this would no doubt be one of the subjects which M. Barthou would wish to discuss during his forthcoming visit, in which he would be accompanied by M. Piétri, M. Léger and M. Massigli; and His Excellency therefore expressed the hope that His Majesty's Government in the United Kingdom might have found time to complete their examination of these proposals and to clarify their own attitude in advance of the discussion.

I am, &c.,

JOHN SIMON

<sup>1</sup> No. 465.

ANNEX I TO No. 472

*Memorandum on the Proposals for an Eastern Locarno Treaty, communicated by the French Ambassador, June 27, 1934*

Les pourparlers engagés depuis quelque temps entre le Gouvernement français et celui de l'Union soviétique ont conduit à l'établissement d'un projet d'accord régional, de caractère essentiellement pacifique, et qui serait conclu dans le cadre de la Société des Nations. Ce pacte, dans l'esprit du Gouvernement français, constituerait un nouvel élément de sécurité qui s'ajouterait aux accords de Locarno.

M. Litvinoff, qui avait saisi le Gouvernement français de propositions notablement différentes, de forme bilatérale, a fini par se rallier aux projets en question. L'adhésion de la France s'y trouve limitée à son accord complémentaire de garantie. L'assistance réciproque de la France et de la Russie a été prévue. Il a paru qu'une garantie analogue ne devrait être envisagée pour l'Allemagne que le jour où l'on serait fondé à croire qu'elle répond au désir du Reich. La France ne verrait, d'ailleurs, que des avantages à ce que des accords analogues fussent conclus entre Puissances signataires du Pacte régional et d'autres Puissances non signataires. En outre,

une procédure de consultation a été prévue à laquelle des Puissances non contractantes seraient admises à participer, en raison de l'avantage qui devrait en résulter pour le maintien de la paix.

Les projets actuellement envisagés prévoient la conclusion de trois accords dont les principales dispositions seraient établies de la manière suivante :

### *I.—Traité d'Assistance régionale*

Il serait signé par la Pologne, l'U.R.S.S., l'Allemagne, la Tchécoslovaquie, la Finlande, l'Esthonie, la Lettonie, la Lithuanie.

#### *Première Partie*

1. Ces pays s'engageraient, conformément au Pacte de la Société des Nations, à se prêter immédiatement assistance au cas où un État contractant en attaquerait un autre.

2. Un pays agresseur non contractant ne serait soutenu par aucun des signataires.

#### *Deuxième Partie*

3. En cas d'attaque ou de menace d'attaque par un pays contractant, les autres se consulteraient en vue d'éviter le conflit ou de favoriser le retour à la paix.

4. Le même engagement serait pris par les signataires en cas d'attaque ou de menace d'attaque de la part d'une Puissance non contractante contre une Puissance contractante.

5. Les consultations visées aux paragraphes 3 et 4 pourraient s'étendre à d'autres Puissances intéressées ou qui seraient en droit en vertu d'autres traités d'y participer.

6. Dans le cas où un des pays contractants pourrait bénéficier des articles 10 et 16 du Pacte de la Société des Nations, les autres contractants s'efforceraient de provoquer une complète application de ces dispositions par la Société des Nations.

### *II.—Un Accord entre la France et l'U.R.S.S.*

1. A l'égard de la France, l'U.R.S.S. accepterait les obligations résultant du Traité de Locarno comme si l'Union soviétique en était signataire au même titre que la Grande-Bretagne ou l'Italie.

2. A l'égard de l'U.R.S.S., la France accepterait les engagements qui résulteraient pour elle de la première partie, paragraphes 1 et 2, du Traité régional si elle en était signataire dans les cas où il s'agirait :

(a) D'une action en application de l'article 16 du Pacte ;

(b) D'une action décisive prise par l'Assemblée ou le Conseil ou en application de l'article 15 du Pacte, paragraphe 7.

3. La France serait invitée, le cas échéant, à participer aux consultations prévues par le Traité d'Assistance régionale aux termes de l'article 3.

### III.—*Un Acte général*

Signataires: Les États ayant signé le Traité d'Assistance régionale plus la France:

1. Les deux traités précédents sont reconnus comme de nature à contribuer au maintien de la paix.
2. Ils ne portent pas atteinte aux obligations et droits des parties contractantes en tant que membres de la Société des Nations.
3. L'entrée en vigueur des trois actes est subordonnée à leur ratification et à l'entrée de l'U.R.S.S. dans la Société des Nations.

#### ANNEX II TO NO. 472

*Document communicated by the French Ambassador, June 27, 1934*

1. Aux propositions initiales du Gouvernement soviétique qui portaient une entente étroite avec la France et qui auraient eu le grave inconvénient d'évoquer l'ancien système des blocs alliés, le Gouvernement français a opposé une conception s'inspirant des principes de la Société des Nations et qui serait destinée à assurer à ses participants le bénéfice d'une assistance que la France, pour sa part, accepte de donner.
2. Cette conception entièrement désintéressée est basée sur la solidarité de tous les pays de l'est de l'Europe. Elle constitue une entreprise collective de paix et de stabilisation où tous les pays se présentent sur le pied de la parfaite égalité.
3. Elle offre, en outre, l'avantage de ramener la Russie soviétique à une politique conforme aux intérêts généraux de l'Europe.
4. L'attitude que prendra à cet égard le Gouvernement britannique aura, selon toute apparence, une influence décisive sur l'accueil qui sera réservé à ces suggestions par l'Allemagne, l'Italie et aussi par la Pologne.
5. Le schéma ci-joint du projet de traité doit être considéré comme confidentiel et n'a été communiqué jusqu'à présent qu'au Gouvernement polonais.

#### No. 473

*Sir E. Phipps (Berlin) to Sir J. Simon (Received June 30, 5.15 p.m.)*

*No. 172 Telegraphic: by telephone [C 4200/29/18]*

BERLIN, June 30, 1934

General Göring made following announcement this afternoon to the press in the Propaganda Ministry:—

The Government have known for some weeks that a clique of S.A. leaders wanted to start a second revolution. Hitler has decided to make an example of them and has today in Munich ordered the arrest of all disloyal local leaders including Röhm who has been turned out of the S.A. and imprisoned. Similar action has been carried out throughout Germany by Göring's police

and S.S. The Berlin S.A. Commander Ernst also arrested. Some of those arrested have committed suicide and others have been shot resisting but peace reigns throughout Germany. Göring added that amongst those shot whilst resisting was General von Schleicher who was dead.

All apparently quiet in Berlin.

Please inform the King.

**No. 474**

*Sir E. Phipps (Berlin) to Sir J. Simon (Received June 30, 8.15 p.m.)*

*No. 173 Telegraphic: by telephone [C 4201/29/18]*

BERLIN, June 30, 1934

I have just been to see Baron von Neurath who does not know any further details regarding attempted 'Putsch' beyond the fact that Vice-Chancellor's chief of Press has killed himself (perhaps he was one of Papen's underlings who spied upon his master).

Baron von Neurath says that the first inkling he had of trouble was last night when Herr Hitler summoned Goebbels by telephone down to the Rhineland but would not say over the wires the reason for wishing to see him urgently. All repressive measures were taken by Hitler's order.

His Excellency promises to keep me informed of any important developments. He assures me that quiet reigns throughout Germany but troops are consigned [*sic* ? confined] to barracks as a precautionary measure.

Police patrol the streets and guard the Ministries in larger numbers than usual.

I had difficulty in telephoning to the Foreign Office but Baron von Neurath promises that this shall be rectified. It was necessary to stop all outward telephonic and telegraphic messages for some hours this afternoon.

Please inform the King.

**No. 475**

*Sir E. Phipps (Berlin) to Sir J. Simon (Received June 30, 9.30 p.m.)*

*No. 175 Telegraphic: by telephone [C 4203/29/18]*

BERLIN, June 30, 1934

My telegram No. 173.<sup>1</sup>

Baron von Neurath has obtained from General Göring and supplied me in confidence with the following details.

S.A. 'putsch' headed by Röhm was due to take place in the night from June 30 to July 1. All Ministries were to be occupied and Ministers arrested except Hitler. The foreign Power referred to in the very unfortunately

<sup>1</sup> No. 474.



worded communiqué reported in my telegram [No.] 174<sup>2</sup> is France with whom General Schleicher was working. He and his wife were shot today; he because he pulled out his revolver before arrest, and she because she threw herself in front of him. Both are dead. Röhm may be dead but this Baron von Neurath does not know for certain. Many of Röhm's entourage have committed 'suicide'.

'Putsch' was to take place the same time all over Germany particularly Bavaria, Saxony and Breslau. Very energetic measures of repression are being and will continue to be taken.

Herr von Papen is still Vice-Chancellor but has been asked to remain in his house.

<sup>2</sup> Not printed. This telegram of June 30 quoted the text of the official party communiqué issued at Munich, and of Herr Hitler's decree appointing Herr Lutze Chief of Staff of the S.A.

#### No. 476

*Sir E. Phipps (Berlin) to Sir J. Simon (Received July 1, 8.35 p.m.)*

*No. 176 Telegraphic [C 4204/29/18]*

BERLIN, July 1, 1934, 5.37 p.m.

Following is brief explanation of recent events based on reports which reached me during the past week but which—as they mostly related to Munich—I could not easily check until events proved them correct. The Papen speech brought things to a head by forcing Blomberg, Hitler and the President to come to a clearer understanding regarding *inter alia* the army. Provided Röhm and the S.A. were kept clear of the army latter undertook to support Hitler unless President saw fit to issue orders himself as Commander-in-Chief.

Röhm, on learning this and subsequent decision to alter organization of the S.A. (see my despatch No. 760<sup>1</sup> of June 29) and knowing that the S.A. were being disbanded temporarily for leave from July 1 decided to take his last chance and strike on the night of June 30. He intended to repeat his action of February 1933 when his men seized control of the terrified country and administration. Hitler at that time stood aside but accepted power thrust, as it were, upon him. Röhm hoped this time, having swept the remaining non-Nazi[s] out of office, to obtain a free hand with the army. He seems to have counted on Schleicher's help to keep Reichswehr neutral. Schleicher, a born intriguer, may possibly have led Röhm to court him. Hence his fate.

The French here maintain that they knew nothing of Röhm's or Schleicher's plans and that they cannot imagine what country is alluded to in official communiqué.

<sup>1</sup> Not printed. In this despatch Sir E. Phipps reported that the S.A. was to be divided into three groups, of which only the youngest would be retained in active service.

No. 477

*Sir E. Phipps (Berlin) to Sir J. Simon (Received July 2, 3.45 p.m.)*

*No. 178 Telegraphic [C 4212/29/18]*

BERLIN, July 2, 1934, 2.6 p.m.

French Ambassador returned yesterday and dined with me last night. His gloom was even greater than a return to this madhouse would warrant.

He is inclined to exaggerate possible consequences of the undoubted grave events of the last few days and fears anti-foreign outbreaks of which there are no signs visible. He is outraged at accusation that he intrigued with General Schleicher for he realizes that it is he who is accused. He admitted to me in confidence that he had talked to the General a few times since the latter's fall from power and that he had indeed spent some hours with him in April since when he had not seen him. M. François-Poncet absolutely denies having intrigued in any way with Schleicher whom he merely met as one would an ex-Chancellor in any ordinary country. He even urged him to eschew politics. He fears however that General may have left notes of his last conversation with him and that those notes may have been seized.

His Excellency's wife and children were to have returned here today but he has told them to remain in France.

It is of course too soon to estimate the effect of recent events on Herr Hitler's position. The week-end mixture of blood and mud that he has offered German public will probably not prove as distasteful to them as it would to the British and immediate effect may be to consolidate him despite fact that he shut his eyes to the mud until for political reasons the blood became necessary. With possible ultimate repercussion I will deal at a later date.

No. 478

*Sir E. Phipps (Berlin) to Sir J. Simon (Received July 3)*

*No. 150 Saving: Telegraphic [C 4244/29/18]*

BERLIN, July 2, 1934

My telegram No. 176.<sup>1</sup>

According to a member of Hitler's entourage about 30 S.A. leaders under Röhm were directly involved in the conspiracy. Before Röhm's departure on leave about 15 of these met at Schleicher's and 15 at Röhm's Berlin residence. Practically all these have now been shot.

Hitler though well informed did not believe that Röhm would take action until the presence of the disaffected S.A. men in Munich on the night of June 29 was reported to him in the Rhineland. Röhm had summoned S.A. leaders from all over Germany to a conference for morning of June 30, some of these were turned back in Munich others arrived after Röhm's arrest. They were attending in good faith.

<sup>1</sup> No. 476.

Culprits were taken to Berlin by air and executed by Hitler's personal bodyguard at S.S. barracks after summary trial by S.A. and S.S. court-martial.

Hitler has killed several birds with one stone. He has stamped out disaffection, regained public approval by punishing moral perverts and removed individuals like Heines, Ernst and others who knew too much about past events and particularly the Reichstag fire.

Schleicher's death has aroused little sympathy in army circles where they were jealous of his brilliant military career and his subsequent rise to Chancellorship.

Police are now ransacking S.A. quarters and headquarters in Berlin.

Sudden disappearance of S.A. uniforms and fast cars has today restored pre-Nazi aspect of Berlin.

**No. 479**

*Sir W. Erskine (Warsaw) to Sir J. Simon (Received July 16)*

*No. 298 [C 4612/247/18]*

WARSAW, July 3, 1934

Sir,

On receipt yesterday of copies of your despatch No. 974<sup>1</sup> to Sir George Clerk of the 27th June and other papers on the subject of the proposals for an Eastern Locarno Treaty, I called on the French Ambassador to ascertain the position as regards the Polish Government. M. Laroche said that he had submitted the proposals to M. Beck eight days ago, but had not yet received a reply. He was to have been received by His Excellency for the purpose today, but the appointment had been cancelled, and it was evident that the Polish Government had not yet come to a decision. He hoped, however, to have their reply in the course of the next few days. He did not seem very hopeful that it would be favourable. The Polish Minister in Berlin, he said, was here a few days ago, and he suspected that an exchange of views was proceeding with the German Government, on whose attitude that of Poland would probably depend. He thought, moreover, that the present rather strained relations between Poland and Czechoslovakia might affect the Polish decision unfavourably, the more so as he had learnt that the Polish Government resented a tactless statement made by M. Benes to the Polish Minister at Prague that Czechoslovakia would accept the plan 'whatever other countries might do'. M. Laroche added that he had informed M. Beck that his Government intended to conclude a pact with the Soviet Government, even if Poland refused to accept the present plan.

2. It is not surprising, even if no consultation is proceeding with Berlin, that the Polish Government should be taking some time to consider their reply. The problem on which they have to take a decision is probably the most important with which Poland has been confronted since the recovery of

<sup>1</sup> No. 472.

her independence, or at least since the conclusion of the Franco-Polish alliance, as it may involve a complete reorientation of her foreign policy. The decision will rest with Marshal Pilsudski, and as no one even among his closest adherents knows exactly what is passing in his mind it is impossible to say with any certainty what that decision will be. But it seems to me, for the reasons given below, more probable that he will reject the scheme, or at least make his acceptance dependent on that of Germany, than accept it. If Germany accepts it might be difficult for Poland to refuse, as she would then find herself in complete isolation.

3. In the first place there are the general principles governing Pilsudski's policy, mentioned to me recently by M. Beck, as reported in paragraph 3 of my despatch No. 267<sup>2</sup> of the 20th June—his objection to incurring uncertain responsibilities and his determination to limit Poland's commitments to what is strictly necessary for her security—a result which he holds to have been adequately realised by the existing arrangements with Russia and Germany and by the alliances with France and Roumania. M. Beck's observations to me were made before he had received the definite proposals now put forward by the French Government, but I see nothing in them which would be likely to lead the Marshal to take a different view. On the contrary, he would probably regard the proposed Eastern Locarno pact, even if Germany came in, as increasing Poland's liabilities to an uncertain extent, while affording no greater, and probably less, security than she enjoys at present. Such a pact would largely depend for its effectiveness in a crisis on Soviet Russia, of whose good faith and stability he is sceptical, and who might be rendered powerless for intervention through an attack by Japan. He is also, no doubt, impressed by the apparent failure of the Western Locarno pact to provide that sense of security and confidence in Western Europe which was expected from it. There is, further, the Lithuania difficulty. How could Poland enter a combination one of the members of which was not in relations with her and refused to recognise her frontier? On the other hand, if Germany stood out it is difficult to believe that Poland would join a combination, the object of which would appear to be the encirclement of Germany. To do so would entail the sacrifice of all she has gained from her improved relations with that country, and she would once more be faced with a hostile neighbour. It seems, however, hardly necessary to consider such a situation, since the Baltic States would also presumably stand out, and with their abstention and that of Germany and Poland the whole scheme must obviously collapse. A final reason for expecting a negative reply is the clumsy action of the French Government in threatening Poland with the conclusion of a Franco-Russian treaty in case she rejects the proposals. I can imagine nothing more calculated to exasperate the Marshal than putting a pistol to his head in this manner.

4. I do not know whether the French Government really intend to pursue this course. An alliance with Russia, quite apart from the tactless manner in which the intention has been conveyed to the Polish Government, could

<sup>2</sup> Not printed.

scarcely fail to have an adverse effect on the relations between the two countries, as it would lessen the importance of the Franco-Polish alliance and diminish the prestige hitherto enjoyed by Poland as France's principal ally. It might even result in throwing Poland into the arms of Germany. With a lukewarm, if not hostile, Poland lying between Russia and Germany, it is difficult to see how the former could afford serious help to France in the event of a German aggression. M. Laroche confessed to me that he was distinctly apprehensive of the danger that a Franco-Soviet treaty might lead to a Polish-German alliance, but he told me in confidence that he had not dared to point this out to his Government for fear they would suspect him of not pressing the proposals on the Polish Government with sufficient energy.

5. In point of fact I am by no means sure that a Franco-Russian alliance would have the result feared by M. Laroche. I doubt if it would do more than increase the cordiality of Poland's relations with Germany and diminish that of her relations with France. The Poles have a lively recollection of the result of their alliance with Prussia in the eighteenth century, and I do not believe that the Marshal is likely to repeat the mistake. As to the belief held in Paris that he has territorial ambitions in Lithuania and the Ukraine, I consider it to be quite unfounded. M. Laroche shares my view, and attributes it to suggestions in Paris from the Soviet Government. It seems to me that Poland would have every advantage in keeping clear of any definite engagements with Germany, while improving to the utmost her relations with that country, and maintaining, in theory at least, her alliance with France. She would then be in a commanding position in Eastern Europe, holding the balance between Germany and the Franco-Russian combination and being courted on both sides.

6. In concluding this despatch, I venture to express the opinion that, in view of the well-known attitude of His Majesty's Government in regard to the assumption of further liabilities in Europe, no advice from them in favour of the scheme, as suggested by M. Léger to Sir George Clerk, would have the smallest influence on the Polish Government if they consider it to their advantage to reject it.

7. I am sending a copy of this despatch to His Majesty's Ambassadors at Berlin and Moscow.

I have, &c.,

WILLIAM ERSKINE

No. 480

*Sir E. Phipps (Berlin) to Sir J. Simon (Received July 4, 3.45 p.m.)*

*No. 183 Telegraphic: by telephone [C 4281/29/18]*

BERLIN, July 4, 1934

I asked Minister for Foreign Affairs whether he could give me any information regarding recent events for the information of His Majesty's Government.

Baron von Neurath said that it was now clear from seized documents that 'putsch' was to have taken place in August but that the culprits having learnt that certain details had reached Herr Hitler's ears decided to strike at 4 p.m. on June 30 and to form a completely S.A. ministry except for Vice-Chancellorship which was to have been taken by General Schleicher. Röhm was to have combined offices of Minister of War and Head of S.A., Ministry for Foreign Affairs being taken by Herr von Detten. It was hoped to sweep Herr Hitler off his legs, rescue him from non-Nazi members of Government and induce him to remain on as Chancellor. At Breslau events developed so quickly that Reichswehr and S.A. were already facing one another across barricades.

Herr Hitler therefore in order to avoid a civil war or at least very bloody encounters which might have cost hundreds of lives was forced to strike quickly and with great severity. Baron von Neurath told me only yesterday after the Cabinet Chancellor had assured him that he had never believed it possible that he would have been obliged to take such action against his old comrade Röhm whose predicament had affected him more than anything else.

His Excellency assured me that the number of executions throughout Germany was either 43 or 46—he could not be sure. All other figures were unreliable and exaggerated. The Chancellor meant to pursue his purging policy but in a normal manner according to civil law and without any further bloodshed. Baron von Neurath added that S.A. when it returned from its leave would be greatly reduced in numbers and would only be a purely political organisation.

In reply to a question Baron von Neurath said that no Cabinet changes were contemplated. Herr von Papen had been present at yesterday's Cabinet and would, I gathered, continue as Vice-Chancellor. His speech had been unfortunate but it had merely expressed feelings which he (Neurath) and other members of the Government had already uttered in the Cabinet, and with which the Chancellor had not disagreed.

His Excellency said above details regarding grave danger that had been averted would not be published so as not unduly to excite public opinion. He hopes British press outburst will soon subside and that if parliamentary questions are asked you will be able to mollify public opinion.

**No. 481**

*Letter from Mr. Sargent to M. Cambon*

[C 4434/247/18]

FOREIGN OFFICE, *July 4, 1934*

Dear Cambon,

You were speaking the other day of the scheme for an Eastern Locarno, which M. Corbin communicated to Sir R. Vansittart on June 27. You suggested that if there were any points in this scheme with regard to which

we wished further information, it might be useful if I could let you have a note on these points before M. Barthou arrived in London. I enclose such a note, and hope it will reach you in time for the Quai d'Orsay to have a look at it before M. Barthou starts.

ORME SARGENT

ENCLOSURE IN No. 481

*Memorandum*

1. Is it the French Government's intention to base Part I of the proposed Treaty of Regional Assistance on Chapter 1 of the model 'Collective Treaty of Mutual Assistance, Treaty D' approved by the League of Nations in 1928?<sup>1</sup>

2. Under the 'Collective Treaty of Mutual Assistance' the guarantee operates in the case of an attack or invasion or resort to war, except in the cases specially mentioned. It is for the Council of the League to decide whether such an attack or invasion or resort to war has taken place. Is it intended in the case of the proposed Treaty of Regional Assistance to leave it to the Council to decide whether an 'attack', within the meaning of the Treaty, has taken place; or is it intended that the parties should decide this for themselves?

Is any further definition of 'attack' contemplated? It is presumed that in any case it is intended that the proposed Treaty of Regional Assistance should contain some provision on the lines of the exceptions in Article 1 of the model treaty, since without such a provision it would be difficult to reconcile the proposed Treaty with the Covenant.

3. Part I of the proposed Treaty of Regional Assistance does not draw the distinction which is made in Article 4 of the Treaty of Locarno, between 'an alleged violation' and 'a flagrant violation'. It has always been contemplated, and the recent report of the Security Committee confirms that fact, that a provision dealing with a flagrant violation could be added to the model 'Treaty D' if desired. Is it intended to add any special provision dealing with the case of 'flagrant violation'?

4. As regards paragraph I of the proposed Franco-Russian agreement, is it to be understood that the guarantee to be given by Germany<sup>2</sup> in connexion with Locarno is to operate only in the case of a violation of Article 2 of Locarno by Germany and directed against France, and not in the case of (a) a violation by Germany directed against Belgium; (b) a violation by France or Belgium directed against Germany?

5. Is it proposed to obtain the formal assent of the other parties to Locarno to the guarantee which it is proposed should be given by Russia in connexion with that treaty?

6. As regards paragraph II of the proposed Franco-Russian agreement, are we right in assuming that the French obligations only apply in the case

<sup>1</sup> See *League of Nations Official Journal*, August 1928, pp. 1179-84.

<sup>2</sup> In the first draft of this document this word, correctly, read 'Russia'.

of a violation of the proposed Treaty of Regional Assistance directed against Russia, or are they to apply also to a violation directed against any of the other signatories?

**No. 482**

*Sir E. Phipps (Berlin) to Sir J. Simon (Received July 7)*

*No. 156 Saving: Telegraphic [C 4395/29/18]*

BERLIN, July 5, 1934

The Italian Ambassador tells me the Germans greatly fear that M. Barthou, when he visits England, will try to persuade His Majesty's Government to collaborate much more closely with France, with a view to forming a Western *bloc* against Germany, to be joined perhaps later on by Italy.

This fear, Signor Cerruti tells me, is increased by the fact that the British press last Sunday<sup>1</sup> and Monday was relatively moderate in its judgment of the German 'executions'. On Tuesday, however, a great change for the worse took place in the tone of our press which, the Germans think, must have obeyed a 'mot d'ordre' from the Foreign Office.

It would never occur to a German official that British public opinion, when fully awake to the facts, might without any Foreign Office inspiration or pressure object to a former Chancellor and his wife being murdered in cold blood whilst at luncheon.<sup>2</sup> The Italian Military Attaché reports that even senior German military and naval officers are not unduly shocked at General Schleicher's murder, for General von Blomberg assured them that he was undoubtedly guilty of treason and deserved his fate.

When Baron von Neurath told Signor Cerruti on June 30 that France was the Power with whom General Schleicher had intrigued (see my telegram No. 175<sup>3</sup>), he expressed the hope that it would be found to be Paris, and not the French Embassy at Berlin, that was involved.

<sup>1</sup> July 1.

<sup>2</sup> Sir E. Phipps was instructed on July 10, in Foreign Office telegram No. 26 Saving to Berlin, to take a suitable opportunity to impress upon Baron von Neurath the spontaneous and independent nature of the feelings of the British press.

<sup>3</sup> No. 475.



No. 483

*Sir E. Phipps (Berlin) to Sir J. Simon (Received July 13)*

*No. 789 [C 4583/20/18]*

BERLIN, *July 5, 1934*

Sir,

I have the honour to transmit to you herewith an interesting report, in original, by the Military Attaché to this Embassy on the progress made since last December in the expansion of the German army and on the relations between the regular army and the Nazi formations.

I have, &c.,

ERIC PHIPPS

ENCLOSURE IN No. 483

*Colonel Thorne to Sir E. Phipps*

No. 4.

BERLIN, *July 3, 1934*

Sir,

I have the honour to forward this review of the progress made since last December in the expansion of the Reichsheer and the military strength of Germany.

2. Last December it began to be evident that the Reichswehr Ministry had been given instructions to take all the preliminary steps necessary to build up the Reichsheer to the establishments and standard which has been consistently demanded during the last six months by the Chancellor in his various declarations on this subject. The only indications which I have been given by responsible officers in the Reichswehr Ministry are that they had decided, firstly, to assume 300,000 as the future peace establishment of the Reichsheer; secondly, to tackle immediately the problem of building up a supply of officers necessary for this large increase in strength; and, thirdly, to plan the organisation of the eventual Reichsheer of 300,000 into twenty-one infantry and three or four cavalry divisions (i.e., a triplication of the present seven infantry divisions and a possible increase of one cavalry division).

3. Visits to units and training camps which had been freely promised earlier in the year to Military Attachés, particularly those of the ex-Allied Powers, have been indefinitely postponed with very unconvincing explanations. The divisional manœuvres which the Military Attachés were to have attended are now reported to have been cancelled. The general impression among my colleagues is that there is far too much to be concealed and the Reichswehr Ministry have decided it is not politic to allow Military Attachés to visit units. During my visits to two schools this summer I was very carefully 'bear led', and the Military Attachés have been informed that the Reichswehr Ministry would prefer social invitations to young officers to be made through the Attachés' liaison officer and not direct.

4. To add to the difficulties of collecting information, all activities in any way connected with national defence have been made secret, and for a German to indulge in any sort of description or explanation of his work is to commit high treason. Consequently, in the last six months it has been impossible to obtain comprehensive and accurate data as to the steps which have been taken, but items of information which have become available over this period are, in my opinion, quite adequate to give a very fair inkling of their main activities and to enable an appreciation to be made of their plan of expansion.

#### *Supply and Training of Officers and Men*

5. During the winter General von Reichenau, Chef des Wehrmachtsamt, informed me that the Reichswehr Ministry had come to the conclusion that 4,000 officers for 96,000 men was an inadequate proportion, and that an increase of 50 per cent. of the existing numbers was essential from the point of view of efficiency and especially training, quite apart from that of expansion. It follows on this basis that their ultimate requirements are for 14,000 extra officers—a very considerable demand. Officers of the Reichswehr Ministry have stated that they hoped to obtain this number, using for the senior ranks officers who had lately retired or promotion; for the junior ranks, up to 75 per cent., a largely increased intake of young officer cadets, 15 per cent. well-educated N.C.O.'s, and approximately 10 per cent. S.A. and S.S. subordinate leaders. There is plenty of evidence of the recall and the 'refresher' training of retired officers, a large increase of officer cadets, and a 50 per cent. reduction in the length of time previously needed to train these cadets.

6. As regards men, evidence is available that men over and above the legal quota have been recruited this year, but I have not had evidence to support the statement frequently repeated in foreign newspapers that the Reichsheer are already doubled. It is likely that up to an additional 50,000 have been enlisted, of which some 20,000 are probably required to make up for the N.C.O.'s and men borrowed from their units for training the S.A., and the remaining 30,000 to form the cadres of new formations and more particularly of units which were prohibited by the Treaty of Versailles. There are no indications of a greatly increased number of men in barracks or about the streets, but it must be remembered that the Reichsheer personnel seconded to the S.A. wear that uniform and so would pass unrecognised as soldiers.

7. If the Reichsheer had on emergency to be expanded at once to 300,000, the remaining 150,000 would be taken from the active units of the S.A. forces and the Voluntary Labour Service Camps, but it is equally certain that the Reichswehr Ministry have been doing all in their power to enlist men who have not served in S.A. units, and who have not strong political bias. Their preference for such recruits was instinctive, and, according to reliable information, its wisdom has been borne out by the reports submitted by units which had been detailed to carry out experiments from April last.

Squads were apparently made up of the following varieties: (a) men selected from candidates who had been recruited in the normal way by the company commanders, (b) individual S.A. men, (c) complete squads from S.A. units; recruits for types (b) and (c) had already received military instruction in the S.A. The squads were changed round periodically so that the officers in charge could have experience with all three types, and at the end of the test, approximately ten weeks, it was unanimously agreed that the best results were obtained with type (a), less good with type (b), and worst of all with type (c). These reports are likely to have greatly strengthened the case of the Reichswehr Ministry against the late Chief of the S.A. Staff, and will be referred to again later.

#### *Headquarters and Formations*

8. Fairly reliable information is available that a third group headquarters, corresponding to those at Berlin and Kassel, is being formed at Munich; this was more or less confirmed by a general officer in the Reichsheer in conversation with another Military Attaché. In the Army Orders in April in a distribution list for a semi-military periodical, the initials K.K.K. appeared on the same line as the Group Headquarters I and II; these initials may stand for Kav. Korps Kommando (Cavalry Corps Headquarters), or Kraftfahr Korps Kommando (Mechanised Corps Headquarters). It was interesting to find them corrected in a subsequent issue of orders to 'Kf. I.'; these initials might be considered to indicate 'Kraftfahr Inspektion' (Inspectorate of Motor Transport), except that this latter already has the official abbreviation of 'In. 6'.

9. A colleague has reported to me the appearance of five new infantry division headquarters, presumably as a first stage of the expansion. Presumably as the new divisions take shape, new group headquarters will also be formed. I am under the impression that eventually the original seven divisional headquarters will all become group headquarters, each administering three divisions. In any case, I believe that cadres, or shadow units, as they are called, are in existence, sharing the quarters of authorised units and temporarily wearing the designation badges of their hosts.

10. With regard to prohibited arms, there is plenty of evidence that there has been a gradual systematic formation of cadres, of experimental units at first, of special schools of instruction later, and more recently of actual units.

#### *Mechanisation*

11. Evidence of the trend of the Reichsheer towards mechanisation is strong. The squadron of each cavalry regiment, which contains the machine gun, signal, A/T, &c., troops, was originally the training squadron; later it became known as the 'heavy squadron', and is now called the 'motorised squadron'. Retired cavalry commanders openly bewail the extensive replacement of horses in cavalry regiments by motor transport. In the engineers a motorised company has appeared for each pioneer battalion, and other engineer units have also been mechanised, though this transformation is described by the Reichswehr Ministry as merely experimental.

12. Officer-cadets of all arms are brought from the beginning of their training into the closest contact with problems of mechanisation, and much emphasis is laid in all weapon schools on the study of its application to military operations. Thus every cadet now spends more time on learning to ride a motor cycle and drive a motor car across country than he does on learning to ride a horse. In the S.A. schools, I understand that the mechanisation problem is also studied very thoroughly. Both the Reichswehr Minister and General von Reichenau have expressed their determination to inculcate the doctrine of mechanisation in the corps of German officers, and rumour in deposing General von Reichenau from his office in the Reichswehr Ministry allots to him the command of a mechanised formation to be formed in Central Germany. Some of my colleagues are inclined to read the correction of the initials K.K.K. into Kf. I. (see paragraph 8) to imply that the new headquarters is the Kraftfahr Korps Kommando.

13. German motor manufacturers are busily engaged in producing suitable types of engines, systems of suspension, wheels and tracks, which can be applied to the production of the new German tank. Standardisation is being enforced in the component parts of mechanised vehicles of all types, and every male owner of a driving licence is being encouraged to learn how to travel across and negotiate all types of terrain in a motor car or on a motor bicycle.

#### *Chemical Warfare, Rays and 'Flammenwerfer'*

14. Information has been received that the German chemists are making successful progress in manufacturing a lethal gas from cyanides, but I have no means of checking this information.

15. There is no evidence available of experiments in the offensive application of gas, but gas production and anti-gas measures are being taught side by side with air-raid protection.

16. From all sides come rumours of the installation of machines capable of producing a ray which can immobilise any machine employing a magneto, but in no case have they been confirmed by reliable information.

17. A new form of 'Flammenwerfer' has also been reported. This is apparently designed for use at a distance against armoured fighting vehicles, the armour of which it is supposed to cut like butter. But again no reliable confirmation has come to hand.

18. These rumours give me the impression that they have been circulated as a deterrent to any Power which might wish to take advantage of the present defenceless state of Germany.

#### *Co-operation with Aircraft*

19. At present the relations between the various air organisations and the Reichsheer are difficult to unravel. To the world at large there is no apparent connexion between the Reichsluftfahrtministerium and the Reichswehrministerium, beyond the fact that several Reichsheer officers have been transferred to the former. But it is curious to find that the private house of

one of these officers, into which he has moved since leaving the Reichswehr Ministry, can only be obtained on the telephone through the exchange of the Reichswehr Ministry and this confirms my belief that ultimately the military side of flying will be directed and controlled by the Reichswehr Minister.

### *Police*

20. The Landespolizei and the S.S. will in the event of war, I believe, play an important part in the defence of the frontiers and, owing to the organisation and very good training of the former, should render first-class service.

21. The police forces are being reorganised under the command of Police General Daluege, who was taken from his post as the leader of the Berlin S.S. to centralise the whole police forces of the Reich, with the exception of the secret political police. He has the power to appoint and transfer personnel from any portion of Germany to any other and within a short time he hopes to have the work completed.

22. His first work has been to alter the status of the Landespolizei, who have hitherto been dispersed in small groups (Hundertschaften or Bereitschaften) in barracks throughout Germany, and have been used as police reserves whenever emergencies arose which could not be dealt with by the ordinary police. They are now being concentrated into formations corresponding to regiments, and it is intended that, when they are employed in support of the ordinary police, they will do so by making use of lethal, and only lethal, weapons from the outset. A colleague estimates their present strength at 10,000, but I have no means of checking this.

23. It is apparent from the events of the 30th June that the Government rely on this police force concentrated and trained on military lines to deal with the outbreak of any unrest and would augment this force when necessary by the S.S. units, as in these they have complete confidence. The S.S. units are organised, equipped and controlled under a completely separate headquarters to that of the S.A., though their commander-in-chief was directly subordinate to Röhm; and their close co-operation with the Landespolizei is assured through the system of appointing senior S.S. leaders to the command of police forces. In addition, the Gestapo, the political police, are directly under the command of Himmler, the S.S. Commander-in-chief. The Government were thus in a position to take immediate and ruthless steps to carry out a round-up of the senior S.A. leaders, who must have commanded many times their strength; in the future they continue ready to nip in the bud any attempt at a revolution, and will probably be able to do so without having to call on help from the Reichswehr Ministry, which would certainly try to exact as big a price as possible for any such assistance.

24. The S.A. and S.S. have organised a 'military police' force of their own, known as the Feldjäger Corps. The Feldjäger are picked men, and have a very high standard of smartness and discipline. General Daluege

told me that they were only 2,500 strong; but one colleague believes that there is a *Bereitschaft* of 100 *Feldjäger* to every S.A. Brigade in East Prussia, which alone would account for 800. I have not seen more than 100 at any one time in Berlin, nor are they, I believe, seen in any larger numbers in other large cities in Germany, so that the number given by the police commander-in-chief was probably fairly correct. They work closely in touch with the ordinary State police, and are responsible for apprehending all personnel in S.A. or S.S. uniform transgressing dress regulations or behaving unbecomingly.

25. On the 1st July Police General Daluge was given the task of re-organising all the Prussian S.A. Gruppen along the Polish frontier and astride the Elbe, these having apparently been commanded by 'traitors'. It is not likely, however, that this temporary assignment will interfere with the re-organisation of the police forces in Germany.

### *Man-Power*

26. Officers in the Reichswehr Ministry admit that the lack of trained reserves in the Reichsheer constitutes one of their most serious weaknesses, particularly now that the men with previous war experience are becoming too old for active service. But until they obtain a Rearmament Convention, or are prepared to risk an open breach of the Treaty of Versailles, they have to content themselves with concealing in the S.A. the training of their reserves. They say that when the 300,000 Reichsheer comes into being, their first care will be to see that as many men under 25 as possible are put through a period of three months' service to enable this reserve to be built up. Up to date some of this training has been carried out secretly in S.A. units under Reichsheer instructors. Considerable numbers of S.A. personnel have been under training in the large Reichsheer training camps, where they are not visible to the general public. In my opinion, these S.A. men are destined for the expanded Reichsheer or for the S.A. units detailed for frontier defence. Repetition and further training is given in the S.A., but it is evident that the Reichswehr Ministry would gladly cut themselves free from any such dependence, and will be as pleased as the French if and when the S.A. have to submit to the restriction on military training offered by the Chancellor.

27. Reliable information has been obtained that the mobilisation machinery has been reorganised, and mobilisation offices, staffed by retired officers, have been opened since April in all the important municipalities in East Prussia. There is no reason to suppose that similar offices have not been, or will not shortly be, opened throughout Germany.

28. Adequate information is undoubtedly already available at all police or S.A. headquarters to enable the most suitable form of national work on mobilisation to be selected for males of all ages, and the Labour pass certificate issued by the Labour Service on discharge will further assist in classifying the male population.

## S.A.

29. The events of the 30th June have called a great deal of public attention to the S.A. organisation, and it has been coming in for much criticism; but it is important that the leaders' political mistakes, if they did exist, should not be allowed to obscure the military potentialities of the organisation. It appeared to be in the final stages of a complete overhaul and a picture of the scheme was beginning to take shape. The older and unfit men, who cost as much in overhead expenses and training as the younger active men, were being put into reserve units or allowed to give up their membership. The whole of the active S.A. appeared to be organised on a basis of brigades. A great many of these brigades seemed to have a standard organisation of a headquarters, three regiments of infantry, one regiment each of artillery, motor transport and cavalry, with one battalion each of engineers, signals and medical troops; they seemed, in fact, to be 'Ersatz divisions'. In fact, two S.A. brigade leaders claimed that their corresponding rank in the Reichsheer should be that of General-leutnant, a rank usually held by divisional commanders. There are some 110 S.A. brigades in all. These are further organised in Gruppen, Obergruppen and Inspektionen in ascending order. In my opinion the greater number of these brigades were more in the nature of training and man-power establishments than actual potential fighting formations, and I am confirmed in this belief by the fact that many brigades did not have the standard composition mentioned in the preceding paragraph. Until, however, the Reichsheer has been expanded, trained reserves built up and the mobilisation organisation placed on a proper footing, a large number of the S.A. brigades are likely to be used in the frontier defence and the remainder as depots to feed both the Reichsheer and S.A. brigades actually fighting.

30. For some time it has been felt that the present enlarged S.A. organisation met no essential requirement of German defence, and was mainly due to the ambition and determination of the late Stabschef of the S.A. and his immediate entourage to create a large military system in which they planned to engulf the smaller regular military establishment of Germany and become the supreme military command.

31. There has been a great contest of wills and personalities in the struggle by the Reichswehr Ministry to maintain their paramount position in the face of Röhm's attack, and it was only this spring that the Reichsheer could feel safe that they would maintain their position as a separate force. In spite of the Chancellor's decision that the Reichsheer was the defender of the Reich against external aggression, Röhm did not in any way diminish his efforts to increase the size and military efficiency of his S.A. formations. He made the unlikely possibility of a preventive attack by France this summer the excuse for pushing forward the military, rather than the political, training of his men. He demanded, in addition, that the Reichsheer should draw their requirements in personnel, whether normal or increased, from the S.A. It was in opposition to this demand that the Reichsheer carried out their recruiting tests mentioned in a preceding paragraph. His impor-

tunities did not cease there, and latterly the Ober S.A. Führung were claiming that they should share in the senior commands and staff appointments as the Reichsheer expanded, and even instituted refresher courses of instruction in their private staff college for the leaders they proposed to transfer to the Reichsheer. It was this last attack which determined Blomberg to go on strike (it was rumoured that he stayed away two or three days from his office, or alternatively that he had asked to be allowed to resign), and to compel the Chancellor to enforce his order to Röhm that the S.A. was only an instrument of internal security. The disappearance of Röhm on sick leave was described last week as being due more to his defeat than to his semi-paralysed arm, and it would appear that Goebbels has used Röhm's resentment at the threatened emasculation of his S.A. as the motive for the revolt against Hitler.

32. In addition to the S.A. brigades, there are other military activities concealed in the S.A., of which the most important would seem to be the National Socialist Kraftfahr Korps, the motor organisation of ex-soldiers, which stands between the S.A. motor units and the more civilian organisation of the Allgemeine Deutsche Automobil-Club (the German Automobile Club) and whose training is severely military in character. The force is stated to be 100,000 strong and is organised similarly to the S.A. motor units, but independently of them in their lower groupings. The National Socialist Kraftfahr Korps do not technically form part of the S.A., although their uniforms are hard to distinguish. The biggest National Socialist Kraftfahr Korps unit, known as an 'Abteilung', is, however, given the same number as the local S.A. brigade and appears always to form a part of it.

33. Extremely good equipment, cookers, motor vehicles, &c., are occasionally seen in the possession of S.A. brigades, and though it is known that some of it has been bought through public and private subscription, I am convinced that much of it is on loan from the Reichsheer and will revert when the Reichsheer expansion takes place. S.A. brigades on the frontiers or at strategical centres behind them appear to be those which are equipped with such issues. As regards armament, no larger weapons than heavy machine guns have been seen in use by S.A. units and in most cases a large proportion of wooden dummies are used for field training. The S.A. artillery units apparently have to go to Reichsheer stations to receive their training as they have no equipment. In fact, I have identified the existence of S.A. artillery units mainly by inference, though one of my colleagues, whose whole-time activities are devoted to watching the development of the S.A., is convinced that they exist and are 40 per cent. trained in artillery duties.

#### *Barrack Accommodation*

34. The problem of housing the additional Reichsheer units should prove very simple of solution, owing to the amount of barrack accommodation available, of which very much has remained ready for immediate occupation. Even in barracks at present occupied by Reichsheer units, only one-third of the accommodation is utilised, so that there is hardly any need for



extra accommodation when expansion is complete. But even so, reliable evidence is available that the Government Departments and civilian tenants are turning out of former barracks and that these are being reconditioned. In cases where accommodation will be required for units which were not in existence before the war, such as some special motor transport units, constructional work is already in hand to meet the deficiency.

#### *War Material*

35. I have no first-hand evidence at all of the amount of material which is in existence or in the course of manufacture. On the one hand are long reports from *émigré* sources of a large programme of construction, on the other hand, a colleague who can obtain information regarding material practically on demand, assures me that the Reichswehr Ministry are still undecided as to several types of weapons and vehicles and that experiments continue. I am convinced that adequate supplies of small-arms and personal equipment exist for an army of 300,000: but, to judge from the conversation of German artillery officers, a deficiency in field artillery will be a serious factor for some years. I believe that the financial position continues to operate as a brake on the supply of material.

36. What is certain is that the Government and in particular the Reichswehr Ministry are planning ahead and are aiming at making the country as much independent of overseas supplies as possible, and much research work is being devoted to solving this problem still more thoroughly.

#### *Readiness for War and Progress of Military Expansion*

37. The intensive activity of the Ober S.A. Führung with a view to achieving at the earliest possible moment some form of insurance against, or producing a deterrent to, external aggression, seems to have found no counterpart in the Reichswehr Ministry. In my opinion, the following represents approximately the policy and events since Germany left the League of Nations. The Reichswehr Ministry were ordered to draw up a programme of expansion for the Reichsheer to an army of 300,000, with the equipment and armament which Hitler has persistently demanded for it. The programme was to be completed within a number of months, possibly 24, more probably 36 and even 48; and it was this slowest rate, which the Chef der Heeresleitung and his Chief of Staff deliberately adopted, which gave Röhm an excuse to build up his S.A. and take over the organisation of reserves and frontier defence units until the Reichsheer was ready to assume its ultimate responsibilities. I imagine that the main restrictions imposed on Röhm by the Reichswehr Ministry were that no open breach of the Treaty of Versailles was to be permitted, and that undue financial burdens were not to be laid on the public purse. In any case the personalities of the Chef der Heeresleitung and his Chief of Staff were such that they would much prefer to take a long time building the foundations thoroughly, and it was this policy which General Blomberg found so difficult to carry through with the Chancellor in the face of Röhm's demands that national defence should be provided forthwith.

38. It seems the Chancellor has agreed to enforce some demilitarisation on the S.A., but it is rumoured that he has imposed on the Reichswehr Ministry the condition that the Reichsheer will put itself in the position at the earliest possible moment to take over its full responsibilities as regards national defence. We are therefore likely to see a speeding up of Reichsheer expansion, and it is being widely said that in April 1935 the Reichsheer will consist of 300,000 men; 40 per cent. of these will probably be long-service men, 40 per cent. one year's service, 20 per cent. three months' service. The first category will be for training personnel and technical arms, and the third category for the quick building up of reserves.

#### *Summary*

39. The present position seems to be as follows. A third group headquarters has come into existence, so that Army Headquarters are available to watch the southern frontier in addition to those responsible for the Polish and western fronts, while a headquarters has been formed to train the mobile or mechanised troops. Cadres of new units are being formed, and accommodation, arms and equipment are being provided in readiness. As a first stage five new divisional headquarters are being assembled. The supply of officers is being energetically pushed forward and instructors are being trained to deal with the increase in personnel.

40. The only military activities now likely to be allowed the S.A. are those that fit in with the Reichsheer plans, e.g., they may for the time retain training-schools, staffed by Reichsheer officers, to cover training of recruits for the Reichsheer, and likewise temporarily retain 'couverture' duties on the frontiers. If, as I believe, the Reichsheer have converted all their road transport units surreptitiously into 'illegal' units, viz., horsed transport into heavy artillery batteries (not necessarily yet equipped with heavy guns), motor transport to armoured cars and tanks, medical transport to artillery, then, in that case, the army depends, and will continue to depend, on Nazi units for all extra-regimental road transport units. Then motor battalions of the S.A. (and possibly those of the S.S.) may become divisional transport; while the National Social Kraftfahr Korps (see paragraph 32), being composed of older men, may well be reserved for the motor transport units of higher formations.

41. If the war were to come this year, which would be a catastrophe in the views of the Reichswehr Ministry, they should be able to produce twenty-one infantry and four cavalry divisions with a higher fighting value than those of their probable enemies, but with much inferior armament. In addition, they would be able to produce a frontier defence that had been greatly improved in the last eighteen months.

42. After twelve months the number of divisions capable of fighting an offensive battle might quite possibly rise to forty-two, though the material programme will have to be more intensive than I believe it to be at present, especially as this number (forty-two) takes no account of the frontier defence forces. But I consider this to be an outside number, and I am sure that

the higher commanders would view their chances of success with pessimism. After some five years I believe that the Reichsheer of twenty-one infantry and four mobile divisions in peace will be capable of expansion to some seventy divisions on mobilisation, supported by a very strong air force and backed by a carefully organised industrial state. In the meantime, the Reichswehr Ministry is likely to advise the Government to avoid any policy which might provoke war, but it seems impossible that their speeded-up programme of expansion will not in itself have an effect of this nature, for it can hardly be hoped, in view of its ambitious extent, to keep it secret.

I have, &c.,  
ANDREW THORNE,  
Colonel, G. S., *Military Attaché*.

ANNEX TO ENCLOSURE IN No. 483

BERLIN, July 3, 1934

*Reichsheer and its Attitude to the Nazi State.*—The passivity of the Reichsheer during the events of the 30th June and subsequently seems to have excited the amazement of many Germans and most of the foreign press correspondents in Berlin. There should not have been so much surprise if they had placed any faith in the manifesto issued by the Reichswehr Minister shortly before, or in the well-founded rumours that the Reichsheer had approved the sense of von Papen's speech at Marburg, but had at the same time plainly intimated that they had no intention of raising a finger in his support, unless the President himself gave the word. Several factors would seem to contribute to its attitude and inaction.

2. Firstly, the Nazi Government have been amply repaid for the trouble which they have lavished on the creation of the S.S. formations, on the Gestapo and the Landespolizei in its new form (see my despatch No. 4, dated the 3rd July), as it has enabled them to take military action on their own account without calling upon the Reichsheer for more than the background.

3. Secondly, it is possibly not realised by these people what a very difficult job the Reichsheer would be undertaking if it were to take action against the Nazi Government. It would start under the handicap of having to organise its own system of communications and inter-communications, as, owing to the policy of 'Gleichschaltung', the control of the broadcasting, telegraphs, &c., are all in the hands of supporters of the Government. The Reichsheer would probably be able to improvise some degree of mobility, but it would not come up to the standard which was found necessary in the fighting in Thuringia in 1923. Their dispersion in 'penny packets' in isolated garrisons throughout Germany would be a great source of weakness, and it is interesting to see that the Nazis have corrected this weakness in the case of their Landespolizei, which is being concentrated near important political and industrial centres.

4. Their numbers, even supposing they have doubled the legal establishments, would not be sufficient against a determined opponent. Whatever

harm Röhm may have done to the Nazi cause morally, he certainly contributed greatly to its physical position *vis-à-vis* the Reichsheer by destroying the Stahlhelm's fighting capacity. The Stahlhelm had always been considered as an indispensable reinforcement to the Reichsheer inside Germany.

5. There are two further factors which make it unlikely, in my opinion, for the Reichsheer to take action against Hitler. The whole tradition of the army is not to oppose the popular will, and for the moment, and probably for some time, there will be no revulsion of feeling towards Hitler. Without the support of public opinion, the Reichsheer is unlikely to take any action which would cause it to forfeit its popularity. Secondly, I do not think that it is at all likely that the Chef der Heeresleitung (General Freiherr von Fritsch) would take sufficient interest in party politics to divert him from his main aim, which is to rebuild the military forces in Germany. I believe that he, unlike his predecessor, has had confidence in Hitler's ability and determination to further that aim. Until that confidence is destroyed, I feel sure that General Fritsch would never dream of working against Hitler. To a great extent, the officers of the Reichsheer are favourably disposed towards Hitler, however much they may be Nationalists at heart. The fact that Hitler decided in favour of the advice of the Reichswehr Ministry against that of the Ober S.A. Führung is bound to strengthen the hold that Hitler has on the sympathies of the Reichsheer.

6. There is only one qualification: it is impossible, since January 1933, to appreciate how quickly the German people can throw their hands in before a determined minority, so that it is stupid to rule out all chances of the Reichsheer being able to overawe the armed forces of the Nazi Government and their many supporters. But it is, in my opinion, most unlikely that the Reichsheer will attempt to interfere with the Nazi Government as long as Hitler allows the Reichsheer to continue its work of reconstruction.

ANDREW THORNE,  
Colonel, G. S., *Military Attaché*.

#### No. 484

*Sir W. Erskine (Warsaw) to Sir J. Simon (Received July 6, 5.30 p.m.)*

*No. 36 Telegraphic [C 4386/247/18]*

WARSAW, July 6, 1934, 3.5 p.m.

My despatch No. 298.<sup>1</sup>

I asked Minister for Foreign Affairs yesterday if Polish Government had yet made their decision regarding proposed Eastern Locarno Treaty. His Excellency replied before doing so they would have to give further study to extension of liabilities in which it might involve them. There were besides certain uncertain [*sic*] points which must first be cleared up, such as Germany's attitude. He saw a serious obstacle in fact that Germany was not a member of the League of Nations (*sic*) and again expressed his scepticism as

<sup>1</sup> No. 479.

to the sincerity of Russian intention to join the League. He also alluded to Lithuanian difficulty.

French Ambassador, who saw him earlier in the day, tells me that he spoke to him in much the same sense but gave as his main reason for delaying decision necessity of consulting Roumania and examining whether inclusion of Czechoslovakia might not involve Poland in difficulties with Danubian countries. His Excellency admitted that there had been informal exchange of views with Germany but denied that this was responsible for postponement of decision. French Ambassador had again informed him of intention of French Government to conclude Treaty with Russia regardless of Poland's attitude to which His Excellency had merely replied that Poland would have no objection. He added that all his efforts to persuade Minister for Foreign Affairs to accept proposals at once even in principle had failed. My impression is that Polish Government are opposed to scheme but do not wish unduly to irritate French Government by definitely rejecting it. They are, therefore, temporising in the hope that meanwhile Germany may reject it or something else may occur to cause its abandonment.

Repeated to Berlin, Moscow, Prague and Riga.

#### No. 485

*Sir E. Phipps (Berlin) to Sir J. Simon (Received July 7)*

*No. 158 Saving: Telegraphic [C 4397/29/18]*

BERLIN, July 6, 1934

My despatch No. 795<sup>1</sup> July 6.

French Ambassador told me that owing to press attacks reported in above and in Nazi 'Angriff' and to the fact that his assistant Military Attaché had been told in a most pointed and disagreeable manner by a member of Waffenamt of Ministry of War that it was disgusting that a foreign Power who had always objected to S.A. had been proved to have furnished that body secretly with arms, he yesterday made further and even stronger representations on the subject to Minister for Foreign Affairs.

French Ambassador told Baron von Neurath that these attacks and insinuations against France were unjustifiable and contrary to all diplomatic usage between civilised Governments. He regarded them as highly dangerous and as showing that the German Government were inclined to resort to any means, even including danger of provoking war, in order to detract attention from internal affairs. If an angry mob had not already collected outside the French Embassy and stoned it, it must be either because Germans had no spirit or did not believe their own Government's tales. Baron von Neurath it seems conveyed the impression of complete helplessness and assured the French Ambassador that he had given strict orders that press

<sup>1</sup> Not printed. This despatch reported a statement in the Berlin evening press of July 5, and comment thereon, regarding the alleged relations between the French Government and General von Schleicher.

attacks on France should cease and that therefore he was not in any way responsible for them. He promised however to do his best in the matter and will presumably see Chancellor on this subject. He assured the French Ambassador that it had indeed been proved that secret consignments of arms had reached S.A. from a foreign Power but not from France.

My Military Attaché points out that since last year S.A. have been in possession of arms of foreign manufacture and confiscated from communists.

Press today ceases its attacks on France in this matter.

No. 486

*Letter from M. Cambon to Mr. Sargent*

[C 4467/247/18]

AMBASSADE DE FRANCE, LONDRES, le 7 juillet 1934

Cher Sargent,

Vous avez bien voulu me faire parvenir le 4 de ce mois une note<sup>1</sup> dans laquelle figuraient certaines demandes de précisions se référant au projet du pacte communiqué le 27 juin par l'Ambassadeur à Sir Robert Vansittart. M. Corbin a reçu à ce sujet de Paris de nouveaux renseignements qui se trouvent consignés dans le papier ci-joint.

Cordialement à vous,  
ROGER CAMBON

<sup>1</sup> See enclosure in No. 481.

ENCLOSURE IN No. 486

*Mémoire*

AMBASSADE DE FRANCE, LONDRES, le 6 juillet 1934

1. L'esquisse de ce que pourrait être un Accord d'Assistance régionale entre États de l'Est européen a été tracée en tenant compte du fait qu'il appartenait à ceux-ci, plutôt qu'au Gouvernement français, qui n'en doit pas être signataire, d'en préciser le contenu. Toutefois, en mentionnant que cet accord serait conclu dans le cadre de la Société des Nations, il a déjà été marqué que le Modèle de Traité collectif d'Assistance mutuelle (Traité D) pourrait utilement être suivi; le rapport adopté le 25 juin 1934 par le Comité spécial de Sécurité, pour être présenté à la Commission générale de la Conférence pour la Réduction et la Limitation des Armements, est de nature à confirmer dans cette voie les États intéressés.

2. Il y aurait des avantages à confier au Conseil, conformément à ce que fait le Modèle de Traité D, le soin de constater qu'une attaque dans le sens du traité s'est produite. L'adoption de ce système sera facilitée s'il est admis, comme l'a posé, en principe, le Gouvernement français, que l'entrée en vigueur des accords envisagés sera subordonnée à l'entrée de l'U.R.S.S. dans la Société des Nations.

Il est à prévoir que plusieurs États appelés à participer au traité régional désireront y introduire une définition de l'agresseur sur la base des traités signés par eux à Londres en 1933. Il est à prévoir également, en raison de l'attitude prise à ce sujet par la délégation allemande lorsque cette question a été examinée l'année dernière à Genève, que le Gouvernement allemand y fera des objections. C'est là un point à examiner dans la négociation entre les États intéressés.

L'accord régional devrait contenir une disposition analogue à celle qui, dans l'article 1<sup>er</sup> du 'Traité D', énonce certaines exceptions.

3. Les États intéressés auront sans doute le désir d'ajouter au Modèle de 'Traité D' une disposition visant le cas de 'violation flagrante'; ils désireront sans doute le faire en s'inspirant de l'article 4, troisième paragraphe, du Traité de Locarno.

4. Quant aux accords envisagés entre la France et la Russie, la garantie promise par l'U.R.S.S. en cas de violation par l'Allemagne de l'article 2 du Traité de Locarno serait seulement promise à la France. La Belgique ne paraissant pas pouvoir assumer de responsabilités dans l'Est de l'Europe, il ne semble pas possible de stipuler en sa faveur les avantages d'un accord de ce genre tout entier établi sur le principe de réciprocité. Par conséquent, une attaque de l'Allemagne contre la Belgique ne ferait pas jouer par elle-même la garantie promise par l'U.R.S.S. Toutefois, comme on ne conçoit guère une telle attaque sans contravention de l'Allemagne aux articles 42, 43 du Traité de Versailles et comme cette contravention, aux termes de l'article 44 dudit traité, constitue un acte hostile vis-à-vis de toutes les Puissances signataires, la France sera de ce chef fondée, dans l'hypothèse envisagée, à obtenir l'assistance de l'U.R.S.S.

Par contre, le projet d'accord entre la France et l'U.R.S.S. ne prévoit pas et n'avait pas à prévoir une assistance de l'U.R.S.S. à l'Allemagne en cas d'attaque dirigée contre celle-ci par la France ou la Belgique. C'est à l'Allemagne qu'il appartient de poser la question au Gouvernement des Soviets. Une disposition de ce genre ne serait pas contraire à la conception qui a présidé à l'élaboration du projet.

5. L'assentiment des signataires du Traité de Locarno à la garantie que donnerait l'U.R.S.S. n'est pas nécessaire en droit, l'accord envisagé ne touchant pas aux responsabilités de ces Puissances sinon pour rendre moins lourde en fait la charge des États garants dans la mesure où l'U.R.S.S. fournira elle-même sa propre assistance. D'ailleurs, le Gouvernement français a tenu à informer ces Puissances de la présente négociation et il est dans son intention de les tenir informées de son développement et de son résultat. Si ces Puissances consentaient à reconnaître expressément la valeur d'un tel accord comme contribuant au maintien de la paix, le Gouvernement français attacherait un grand prix à cette reconnaissance.

6. Il est exact que, selon l'article 2 du projet d'Accord franco-soviétique, la France n'assumera d'obligation d'assistance que dans le cas où la violation du Traité d'Assistance régionale serait dirigée contre l'U.R.S.S.

7. En ce qui concerne l'assistance à fournir à la Pologne ou à la Tchéco-

slovaquie, une obligation comportant d'ailleurs réciprocité résulte des traités signés à Locarno entre la France et ces deux pays.

Quant à une assistance de la France à l'Allemagne, c'est une question que l'on examinera volontiers aussitôt que le Gouvernement allemand en aura marqué le désir.

Pour les États baltes, le projet ne prévoit pas actuellement pour la France d'autre obligation que celle de participer à une consultation, le Gouvernement français n'ayant pas envisagé de prendre seul parmi les grandes Puissances occidentales des engagements plus étendus.

#### No. 487

*Record of an Anglo-French Meeting, held in the Room of the Secretary of State for Foreign Affairs at the Foreign Office, on July 9, 1934, at 10.30 a.m.<sup>1</sup>*

[C 4454/247/18]

Present:

#### *United Kingdom—*

The Right Hon. Sir John Simon, G.C.S.I., K.C.V.O., O.B.E., K.C., M.P., Secretary of State for Foreign Affairs.

The Right Hon. Sir Bolton Eyres Monsell, G.B.E., M.P., First Lord of the Admiralty.

Mr. Anthony Eden, M.C., M.P., Lord Privy Seal.

Sir Robert Vansittart, G.C.M.G., K.C.B., M.V.O.

Lieutenant-Colonel the Right Hon. the Earl Stanhope, K.G., D.S.O., M.C., D.L.

Mr. O. G. Sargent, C.M.G.

Mr. R. L. Craigie, C.B., C.M.G.

Mr. R. F. Wigram, C.M.G.

#### *France—*

M. Louis Barthou, Minister for Foreign Affairs.

M. François Piétri, Minister of Marine.

M. André Corbin, French Ambassador in London.

M. Alexis Léger, Secretary-General, Ministry for Foreign Affairs.

M. René Massigli, Ministry for Foreign Affairs.

M. Roland de Margerie, French Embassy, London.

Capitaine de Vaisseau Decoux.

Capitaine de Vaisseau Latham.

At the invitation of Sir John Simon, M. Barthou undertook to explain the origins, conditions and results which he expected from the French Government's proposals for an Eastern Locarno Treaty.

<sup>1</sup> This record was made by the British representatives for the use of His Majesty's Government.



M. Barthou said that he would first try to show that in the negotiations which they had had with Russia over a period of four years the French Government had sought only peace. Four years ago M. Briand had thought of trying to bring back Russia into Europe with a view to the promotion of peace. The Soviet Government were interested by certain general proposals which M. Briand made to them. Later they asked the French Government for an agreement with France similar to that which they already had with Germany. This was an oral and secret agreement, and it took account of all the possibilities in Europe. This agreement was refused, as it was considered that its conclusion would have been disloyal to the friends and allies of France in Europe. Above all, the French Government wished to continue loyal and cordial relations with Britain. Later, the Soviet Government had pressed for French support for Russia, not only in Europe but throughout the whole world. This proposal had not been unlike that which the Tsar had made at the opening of the Franco-Russian negotiations in the nineties of last century. The Tsar had wished to bring France into a negotiation in which the whole world was to be covered; and the French Government of the day had refused.

When M. Doumergue took office in February 1934, he had found that conversations with the Soviet Government had been carried on both by the Daladier and Paul-Boncour Governments. For two months M. Barthou did nothing in this matter, in order to show the Soviet Government that he was not in a great hurry. What finally decided him to pursue the negotiations was the fact that he found that the Soviet Government had stopped their political propaganda in France; and, secondly, the fact that the Doumergue Government, as the Foreign Affairs Commission of the French Chamber of Deputies had been informed, considered that they must take guarantees of peace where they could find them.

M. Barthou had accordingly exchanged general ideas with the Soviet Ambassador; and the Doumergue Government laid down the general lines of the negotiation to be followed. Then M. Litvinov came to Geneva. The views of the French Government were explained to him; and Mr. Eden—who was then in Geneva—was told of the French Government's view. A little later the general conditions of the arrangement to be made were studied with M. Litvinov at Geneva, though there was as yet no draft treaty. But in order to clear everyone's minds a general scheme was drafted upon the basis of which the proposed arrangements were to be made. Mr. Eden was informed of the position; and His Majesty's Government in the United Kingdom were also informed by the French Ambassador.

When a point had been reached at which it seemed possible that the negotiations might succeed, the French Government decided to inform the interested Governments which it was proposed should be parties to the Treaty of Mutual Assistance. They were to be those of Russia, the Baltic States, Poland, Czechoslovakia and Germany. The French Government, bound by the Treaty of Locarno, were to come in only to 'cover' ('couvrir') the Pact of Mutual Assistance.

The position of the Baltic States was one of considerable delicacy, owing, for instance, to Lithuania's relations with Poland. M. Barthou had seen the Polish Minister for Foreign Affairs and explained to him the position. He had also caused the German Government to be informed; as he had noted a protest made by the President of the Disarmament Conference at a meeting of the General Commission against the policy of encirclement of Germany.<sup>2</sup> M. Barthou, also, was opposed to that; and the German Government, therefore, had been informed that France wanted peace, that she believed that Germany wanted peace, and that the French Government therefore wished the German Government to know the arrangements they were trying to negotiate.

The Polish Minister for Foreign Affairs did not take up a very definite position; at first the impressions received of the attitude of the German Government were not good. Herr von Bülow's reaction had been less favourable than that of Baron von Neurath.

M. Barthou pointed out that the German attitude, in view particularly of the events of the last week, was bound to be very reserved. What indeed was the German Government which existed at the moment? What would it be in a few weeks' time?

M. Barthou said that he had now told the British Government all there was to say on the subject. He had nothing to hide. He attached the greatest importance to friendship with Britain, which he wished to cultivate and develop. It was unnecessary for him to say that he did not want to do anything against Britain. He and the French Government wanted more than that—they wanted to do nothing without Britain.

The French Government were seeking peace through the proposed Treaty of Mutual Assistance. Did His Majesty's Government think it good to try to turn Russia, with a population of 160 millions, towards peace? If His Majesty's Government would not help the French Government, there was a danger that Russia might go to the other side of the barricade, as before the Hitler revolution. A disappointed Russia might go over to Germany. What was the result of the revolution of the last few days in Germany? Hitler had had to choose between the 'Brown' Ministers and the Reichswehr. He had chosen the Reichswehr, which was now the mistress of Germany. If Russia was disappointed, she might go over to Germany, and that would not help the peace of Europe. Did His Majesty's Government think it a good thing that Russia should enter the League of Nations? In view of her obligations under the Treaty of Locarno, France could not give any guarantee in respect of a Treaty of Mutual Assistance in the East unless Russia entered the League. M. Barthou understood from his conversations with M. Litvinov that he was having difficulties as regards the Russian entry into the League. The League was not well regarded in Russia, but France

<sup>2</sup> The reference appears to be to a statement by Mr. Henderson in the General Commission on June 11 that regional pacts would be an important contribution to a solution of the problem of security provided that they were inclusive of all the nations in an area to be covered, and were based on the principle of equality.

could not have anything to do with a Treaty of Mutual Assistance in the East unless Russia entered the League. Further, Russia would not enter the League unless Britain was with France in this matter; and if the United Kingdom representatives were in agreement in principle with what he (M. Barthou) had said, he hoped that they would intervene with other countries like Italy, which, like all countries, looked to Britain.

M. Barthou referred to his recent journey to Bucharest. He said that Roumania had already recognised the importance of the Russian entry into the League and had given an undertaking in regard thereto. Greece and Turkey would have the same policy. He had discussed the matter with King Alexander of Serbia during his recent visit to Belgrade. The King had not contradicted him, and M. Barthou thought that he understood the French Government's policy. M. Barthou had not, however, asked him there and then to agree to the entry of Russia into the League.

M. Barthou continued that he thought that the arrangements which he was proposing would contribute to the peace of Europe. He considered that if the United Kingdom Government would help so that Poland and Germany participated in these arrangements, they would be rendering a great service to the cause of peace. If the French Government did not succeed in this matter, either owing to a German or Polish refusal, and then the proposed arrangements did not mature, the problem of security would remain open as between Russia and France. The French Cabinet had not yet deliberated on what would happen in those circumstances. But long ago Republican France had signed a treaty with Tsarist Russia, though the two régimes were very different. Geography, however, commanded history, and there had been a Franco-Russian alliance.

Would the France of today also be obliged to ally herself with Soviet Russia, who would abstain from propaganda in her territory? It was possible that, if the Eastern Locarno failed, the dangers of the European situation would oblige France to do so. Up to now the French Government had refused to admit the demand of Russia, which had lately been made to M. Barthou, for a military alliance. There was no military alliance so far between Russia and France, but no one could say what might yet happen in the future if there was no Eastern Locarno.

M. Barthou was not asking the United Kingdom Government to sign a treaty which was not to be theirs; he was well aware that the United Kingdom Government could not do that. But he did ask, if the United Kingdom Government were convinced of the sincerity and loyalty of the French Government's intentions and that it was a move in favour of peace, that they should render France a precious service. Much could be done by their advice and by their authority. If the United Kingdom Government hesitated in this matter, that would hamper the French Government and might cause the French Government's efforts to fail. With the help of the United Kingdom Government, France could realise her pacific intentions.

Sir John Simon pointed out that M. Barthou had explained a five-fold combination, composed of Russia, the Baltic States, Poland, Germany and

Czechoslovakia, who were to be the elements of the Eastern Locarno treaty. France, according to M. Barthou, was not to be a party to the treaty, but would 'cover' ('couvrir') it. But M. Barthou had made no reference in his remarks to the proposal that Russia should guarantee France in the event of France needing Russian help. That naturally interested the United Kingdom Government very much as they were parties to the Western Locarno Treaty, though they did not intend to become parties to any new treaty.

M. Barthou said that people in France had been rather worried to see that certain English newspapers did not altogether understand the French attitude. As it had been impossible to reach a disarmament agreement, those English newspapers seemed to think that France was now turning to Russia instead of to Britain for help. For that very reason M. Barthou had explained the origin of the Russian negotiations which, as the British representatives would see, went back far into the past. There was no question of France wishing to abandon her precious friendship with Britain in any way whatever.

M. Barthou would now ask M. Léger to explain in detail the question of the Russian guarantee to France. He himself had not dealt with that matter, as it was already explained in the written memorandum which the French Ambassador had communicated to the Foreign Office two days earlier.

M. Léger wished to emphasise the fact that the formula for Russian assistance to France was a minimum formula, which had been obtained after a very long negotiation, in which the Soviet Government had been brought to conform to the general policy of France. Russia had undertaken to guarantee France against a breach of the Locarno Treaty. That was the least the French Government could accept. There was no question of Russia signing the Western Locarno, but, so far as France was concerned, she had agreed to undertake the obligations which she would have undertaken if she were a signatory of the Western Locarno Treaty.

There were six things which, in the course of her negotiations with Russia, France had had to refuse to the Soviet Government: (1) Any Franco-Russian agreement opposed to the French Government's policy; (2) any agreement not within the framework of the League of Nations and any agreement concluded without Russian entry into the League; (3) any agreement not confined to the Western hemisphere, because Russia wanted something in the Far East; (4) any agreement not of a collective kind; (5) any agreement which did not include Poland; (6) any agreement which did not include Germany.

The latest formula had nothing Russian in it. But it was the most the Russians would accept.

Sir John Simon said that they had to look at the proposals before them quite apart from matters of history, and as a whole. M. Barthou suggested that his proposals were such as the United Kingdom Government might

urge on the Polish and German Governments. The United Kingdom Government were then to urge upon Germany that Russia should guarantee France under Locarno conditions. The difficulty which he (Sir J. Simon) saw was that the French Government's condition, so far as Russia was concerned, was not a Russian guarantee of the Treaty of Locarno, but a Russian guarantee of France against one of the dangers which the Locarno Treaty foresaw, viz., an attack by Germany upon France. Was this a likely proposal for the German Government to accept? The British Ministers were always ready to listen to their French friends when they wanted their help; but if they were to approach the German Government what were they to recommend? A plan by which Russia was to guarantee France but not Germany.

There was a second difficulty in this matter, and that of a domestic kind, for the United Kingdom. The British people had confidence in Locarno because of its reciprocal nature. The British people understood this. The British Government's position would be difficult if they had to say in the House of Commons that they had recommended a principle which departed from that of reciprocity. The British Government's usefulness and help to their French friends depended upon whether they could do something effective. He (Sir John Simon) had understood from the French Ambassador that if Germany wished to have a guarantee from Russia, she had only to ask for it. Were the United Kingdom Government at liberty to represent that the French Government's proposal really was that the other parties to the original Locarno Treaty would equally be at liberty to enlist the support of Russia; though the French Government felt that it was rather for those parties than for them to make any advance to that effect?

Sir John Simon said that, to sum up, he felt doubtful if anyone would be able to persuade the German Government to adhere to this agreement; but he was gravely concerned at the idea of a Russian guarantee given to one party to the Locarno Treaty and refused to another, because that destroyed the reciprocal principle upon which the treaty was based. The United Kingdom Government did not want something which destroyed the reciprocal principle of the Locarno Treaty.

M. Léger said that Sir John Simon's observation was very important. The condition of reciprocity was, in the view of the British Ministers, essential. As regards the proposed treaty of mutual assistance itself, the provisions of that treaty applied to Germany just as to Russia. As regards the subsidiary Franco-Russian Agreement, that left Germany free to try to get the same thing for herself. It was not for France to propose to Germany to try to get the Russian guarantee, but Germany was left perfect liberty to try to do so if she wished.

M. Barthou said that there was first the juridical question which had been dealt with by the United Kingdom Government in a note handed to the French Ambassador three days ago. That had been answered. Then the juridical question raised a political question. He had come to London to supplement the written explanations given through the French Ambassador.

What he asked was that if the United Kingdom Government considered the French Government's policy good and of interest, they should indicate that they thought so, and say that the French Government's policy was in the interests of European peace. Sir John Simon had asked whether in any conversations he might have he was authorised to make use of the information given him. If he (Sir John Simon) considered the French explanations useful, he could use them to the Germans.

Sir John Simon said they had reached a point where he must reflect and consult his colleagues.

M. Barthou said that, in order that the United Kingdom Government should be in possession of a knowledge of every aspect of the question, he wished to mark another point in French policy. He had explained his ideas respecting the proposed Eastern Locarno Treaty, but it was possible that there might be another such treaty. The French Government might shortly have to ask the United Kingdom Government if they would examine a Mediterranean pact. When he (M. Barthou) was at Belgrade recently, he had impressed upon the Yugoslav Government the importance of better relations between Yugoslavia and Italy. It was possible that one day the French Government would have to ask the United Kingdom Government if they did not think the Eastern Locarno could be completed by a Mediterranean Locarno. In a Mediterranean Locarno he thought the United Kingdom Government would be more interested. The French Government, in their ideas on these questions, had been working, on the lines of the recommendations of M. Politis's Security Commission at Geneva, to promote regional agreement. If the proposed Eastern Locarno Treaty succeeded, then would arise the question of the Mediterranean Pact, in which the United Kingdom Government would be consulted, and which it was possible that they and the French Government might together recommend to the interested Powers.

(At this stage the meeting adjourned.)

#### No. 488

*Record of an Anglo-French Meeting, held in the Room of the Secretary of State for Foreign Affairs at the Foreign Office, on July 9, 1934, at 3.30 p.m.<sup>1</sup>*

[C 4455/247/18]

Present:

*United Kingdom—*

The Right Hon. Sir John Simon, G.C.S.I., K.C.V.O., O.B.E., K.C.,  
M.P., Secretary of State for Foreign Affairs.

Mr. Anthony Eden, M.C., M.P., Lord Privy Seal.

Sir Robert Vansittart, G.C.M.G., K.C.B., M.V.O.

<sup>1</sup> This record was made by the British representatives for the use of His Majesty's Government.

Lieutenant-Colonel the Right Hon. the Earl Stanhope, K.G., D.S.O.,  
M.C., D.L.  
Mr. O. G. Sargent, C.M.G.  
Mr. R. F. Wigram, C.M.G.

*France—*

M. Louis Barthou, Minister for Foreign Affairs.  
M. André Corbin, French Ambassador in London.  
M. Alexis Léger, Secretary-General, Ministry for Foreign Affairs.  
M. René Massigli, Ministry for Foreign Affairs.  
M. Roland de Margerie, French Embassy, London.

Sir John Simon wished to make one or two observations on the position as explained by M. Barthou at the morning's meeting.

The wish of His Majesty's Government in this matter was to be helpful in any way they could towards any proposal which made for peace and good understanding in Europe. They had already publicly declared themselves in favour of regional agreements of mutual assistance on the Locarno model. They had also declared themselves to be quite prepared to see Russia become a member of the League of Nations if Russia made an application to join. In saying that they favoured regional agreements on the Locarno model, His Majesty's Government attached particular importance to the conception of reciprocity in the agreement being such that the parties to it enjoyed corresponding rights and supports as against one another on the model of Locarno. This was what His Majesty's Government meant when they said they would welcome the extension of such agreements. Further, when they said that they would welcome the extension of such agreements, His Majesty's Government had had in mind that the building up of security should take place side by side with the conclusion of agreements about armaments. These were the two main preoccupations of His Majesty's Government, and they would like M. Barthou's views on each.

The first preoccupation was concerned with the principle of reciprocity. If he (Sir John Simon) understood M. Barthou's plan rightly, it aimed at bringing Russia into the existing Locarno for the advantage of France, without bringing in Russia for the advantage of the other parties. Sir John Simon thought that a difficulty; and unless that feature of the plan were modified it seemed difficult to suppose that Germany would welcome or take part in it. Sir John Simon wished to know whether, if His Majesty's Government were to say anything in Berlin, they might be authorised to make it plain that, in the French view, the Russian guarantee to France in respect of a possible breach of the existing Locarno Treaty would also apply in favour of Germany, so as to make the additional Russian guarantee operate reciprocally. If that could be done it might well be possible to recommend the French plan as being really an extension of Locarno, as it would contain the necessary element of reciprocity.

A second consideration concerned the new so-called Eastern Locarno Treaty. If he understood the proposal correctly, one of the conditions of

that treaty would be a guarantee from France to Russia, but not from France to Germany. There again the question of reciprocity arose. He did not see how Germany could join the proposed Eastern Locarno if its terms operated in this selective manner for the protection and advantage of Russia without doing anything for Germany.

The two considerations which he had mentioned arose from the feeling that the Locarno model involved reciprocity, and that, without reciprocity, there was no hope that Germany would agree.

His second preoccupation dealt with a different subject: it concerned the relation of these new proposals to an understanding with Germany on the matter of armaments. The British representatives were trying to look at this matter in a practical spirit. They felt fairly certain that the acceptance by Germany of the proposed Eastern Locarno would necessarily depend in part on whether some adjustments could be reached on the subject of armaments. Would Germany not say that, side by side with this new contribution to European security, she expected something in the way of equality of rights? Baron von Neurath had said that the prospects of Germany joining the Eastern Locarno were connected with the question of equality of rights. Sir John Simon therefore asked whether in connexion with the setting up of this new Eastern Locarno M. Barthou contemplated some adjustment of the question of armaments, as the result of which it might be hoped that this new element in security would contribute to solve the question of equality of rights in armaments.

These were his two preoccupations, and they were preoccupations about which the British representatives felt very strongly. From a practical standpoint, they did not expect to see the Eastern Locarno mature, unless they were satisfied. But if these preoccupations were satisfied, the British representatives would consider that this was a proposal for a pact of mutual guarantee on reciprocal lines, of which Locarno was the model; and they would feel it most desirable that this proposal should be carried into effect. Sir John Simon added that the information in the possession of the Foreign Office went to show that Poland was very tepid on this matter; that Italy was suspicious; and that Germany was cold. He did not know whether anything His Majesty's Government could do in this matter could alter that situation, but if the main preoccupations which he had outlined were satisfied, His Majesty's Government would certainly do what they could to help.

M. Barthou noted that the British Government wanted to help the French Government, and that British and French policy seemed to be pursuing the same ends. He noted also that Sir John Simon had said that the British Government accepted the principle of regional agreements. This acceptance was in accordance with the recommendations of the Politis Commission. He noted also that the British Government favoured the entry of Russia into the League of Nations. He emphasised these two points—British approval of the principle of regional agreements, and British approval of Russia's entry into the League.



Sir John Simon interpolated that His Majesty's Government favoured regional agreements if they followed the Locarno model.

M. Barthou understood that His Majesty's Government subordinated their support of the French proposals to two conditions; the first, that these pacts should be reciprocal as regards the duties and rights. The consequence was that the Russian guarantee must work in favour of Germany as in favour of France. Possibly, this morning, he had not been sufficiently clear on that point, but he now said in the most definite and categorical manner that it could work for Germany as well as France.

The second preoccupation mentioned by Sir John Simon, on which the French point of view might not be entirely in agreement with that of the British representatives, was that relating to the rearmament of Germany, which he understood Sir John Simon to have said was a prime condition of British support for the French proposals. He did not think that rearmament of Germany could be made a condition preliminary to the proposed Eastern Locarno. If that proposal increased peace in Europe, then the rearmament of Germany could be examined under new conditions; but to examine first the rearmament of Germany, and then the proposed Eastern Locarno, would be to put matters badly. The French wanted to help European peace by means of reciprocal regional pacts. If these regional pacts brought new security for Europe, then the question of German rearmament should be re-examined. He subordinated the question of German rearmament to the signature of an Eastern Locarno Treaty.

Sir John Simon asked how M. Barthou thought that Germany would sign the treaty under such conditions.

M. Barthou said that if Germany were to receive no guarantee by the proposed treaty, then one could understand some hesitation on her part; but not as the treaty was to be reciprocal. If an attempt was made to deal with German rearmament first and then to consider the proposed treaty, he saw great difficulties with French opinion. All French Governments had the same views on this matter. The rearmament of Germany raised great hesitations in France. What had happened lately in Germany had not altered French views on this matter. People in France felt that if the Germans could act as they had recently done, they might do some very queer things abroad.

It was not advisable to make the rearmament of Germany a condition of the signature of the Eastern Locarno; but they could say to Germany that by the conclusion of the Eastern Locarno a better situation would arise in which to consider the rearmament of Germany. M. Barthou would not agree to say that some decision respecting German rearmament should be a condition of the Eastern Locarno, but the negotiations were in fact complementary; they envisaged principles and results. It was necessary to know what the foreign policy of Germany was going to be. If the German situation enabled them to have confidence in German policy, then M. Barthou would be able to see what could be done as regards German rearmament.

M. Barthou continued that the conversation had shown agreement as regards the necessity of complete reciprocity and complete equality in the proposed arrangements. The only doubtful point was the question whether the Eastern Locarno was to be signed before progress was made with German rearmament; or whether German rearmament was to be considered before the entry into force of the proposed treaty. He did not think that the rearmament of Germany could be considered unless Germany gave new security in a reciprocal pact; then he would be ready to consider a new situation on a new basis.

M. Barthou added that when Germany had been asked to participate in the arrangements proposed by the French Government she had asked what it was intended to give her in return for the engagements she was asked to undertake. He thought that when it was clear what Germany could give, the question of what was to be given her in return could be considered. For instance, it was necessary to remember that at one point in the disarmament negotiations she had insisted on an army of 300,000 men. But if the new security which it was now proposed to give her enabled her to return on that figure, that would be a new element in the situation. Further, Mr. Eden had brought back from Berlin certain concessions about the S.A., but now possibly the S.A. were about to be suppressed; it was possible that that was also an element for bargaining. Do not let them be in too much of a hurry about German rearmament; let them give Germany first extra security, and then see what was happening about the S.A., &c. He was not asking the United Kingdom Government to undertake any new responsibility; he was simply asking them to say in the three capitals what France wanted and what she was aiming at. She was not aiming at the encirclement of Germany. If the French *desiderata* in this matter were achieved it would be possible to consider with more hope disarmament and also the rearmament of Germany.

Sir John Simon wished to be clear on one further point. He had understood that Russia was to be asked to give a guarantee to France and to Germany reciprocally. He wanted to know that France would be prepared to guarantee Russia and Germany reciprocally.

M. Barthou said that the situation was not the same for Russia and Germany. Russia had asked for this agreement. France had said to Germany that she did not wish to encircle her, and here was a proposal. Up to the present Germany had not attempted to participate, but he (M. Barthou) meant to give a clear answer to Sir John Simon's question. If Germany wanted to participate in the proposed arrangements and asked for a French guarantee against Russia, France would give it.

Mr. Eden did not wish M. Barthou to be under any illusion as to why the issue of the rearmament of Germany had been raised. The United Kingdom Government did not wish to be Germany's advocate in that matter; but—as a practical consideration—they feared that the German Government would raise it. There must be some view as regards the future of German

armaments. They must not merely say that they would sign the Eastern Locarno and then see what would be done about German rearmament. He thought that it ought to be made clear that the questions of the Eastern Locarno and the rearmament of Germany would proceed in step. Otherwise, he feared that Germany would not enter the Eastern Locarno.

M. Barthou quite understood that the British representatives were not advocating the rearmament of Germany, but he wanted to point out that it was not certain that the questions of equality of rights in armaments and the rearmament of Germany would arise in as acute a form as had previously been thought. It was possible that in view of the changed situation in Germany they might now find themselves faced with somewhat less extreme German claims. He would think it dangerous to let the German Government think that the British and Italian Governments accepted the rearmament of Germany in its present form. It was very important that they should all examine the position together and maintain solidarity in the matter.

Sir John Simon wished to explain the kind of difficulty which would probably face His Majesty's Government in the debate which would certainly take place on this question in the House of Commons very shortly. He would not be able to satisfy the House of Commons and British public opinion merely by saying that the Eastern Locarno was on a reciprocal basis. He would have to show how it contributed to disarmament. Many people in England were anxious about the future of the Disarmament Conference; and they did not want it to be turned into a Security Conference. If he was able to say in the House of Commons that as a result of his discussion with M. Barthou it was clear that the French proposal respecting the Eastern Locarno was part of a movement to give new life to the Disarmament Conference, that would make a very great difference. British public opinion would then be most satisfied with the French effort. But if it was merely a proposal for more security in Central and Eastern Europe, then opinion in this country would be very critical.

Sir Robert Vansittart said that it was very desirable to be able to represent to the British public that the Eastern Locarno was a preface to a new start in the Disarmament Conference.

Sir John Simon summarised the points as they seemed to be established by the discussion. If certain conditions could be assured, and subject to the approval of the British Cabinet, for which he would have to ask, he would be prepared to recommend the scheme for an Eastern Locarno in Berlin, Warsaw and Rome. As regards Rome, in particular, he would have something to say later.

The conditions of which he was thinking were, first of all, that it must be quite clear that the United Kingdom was not itself about to undertake any new commitment in Europe. All he proposed that His Majesty's Government should do would be to recommend the scheme because of the British belief in regional security pacts on the Locarno model and because the scheme came within the framework of the League.

Before recommending the scheme, His Majesty's Government would want to be sure that they could inform the Governments concerned that Russia would be prepared, in regard to the original Treaty of Locarno, to guarantee the frontiers of France and Germany against German and French attack. Secondly, they would want to know that France was ready, in regard to the Eastern Pact, to guarantee impartially the frontiers of Russia and Germany. Lastly, on the point affecting the Disarmament Conference, he understood that M. Barthou advocated that the Eastern Locarno should be negotiated and signed before any new concrete advance was made on the subject of armaments. On the other hand, the British representatives felt that prospects of its success would be seriously prejudiced if the Eastern Locarno plan was put forward by itself without any relation to the Disarmament Conference or Germany's equality of rights in armaments. Could M. Barthou agree on some such formula as the following:—

'The French Government are agreed that the conclusion of such a pact (i.e., the Eastern Locarno) and Germany's concurrence in the reciprocal guarantees envisaged would be the best possible starting-point for the resumption of negotiations for the conclusion of a convention providing for a reasonable interpretation of German equality of rights in relation to armaments.'

Thus the Eastern Locarno would not stand by itself. On the other hand, its signature would not be postponed until agreement had been reached on the armaments question. Rather would it be seen that these matters were related and that the Eastern Locarno provided a better starting-point for the realisation of a convention relating to Germany's equality of rights in armaments.

He himself added that, so far as he was concerned, all was subject to the approval of the Cabinet. If the Cabinet approved his attitude, then the British Government would, to the best of their ability, recommend the French proposals to the capitals concerned. In the case of Italy, enquiries had already been made in London as to the British attitude. His Majesty's Government, out of loyalty to France, had so far given no answer; but it was clear that, in these circumstances, if anything useful was to be done with Italy, it would be very necessary that the British Government should do it first and direct; and before Italy came to hear of the position from some other source.

M. Barthou then examined the formula handed to him by Sir John Simon, covering the relation of the Eastern Locarno Treaty to the question of German rearmament. He said that he agreed in principle to this formula; but asked that it should be further examined by M. Léger and M. Massigli, who it was agreed should meet Sir Robert Vansittart and Mr. Sargent at once for that purpose. It was decided that they should report to a further full meeting to be held on the following morning.

M. Barthou explained that there could be no question of Russia giving a guarantee to Belgium in respect of the original Locarno Treaty; as Belgium

could not assume any responsibilities in the east of Europe; and for reasons of reciprocity should not therefore receive any guarantee in Western Europe. Moreover, such a guarantee was unnecessary in view of the terms of Articles 42 and 43 of the Treaty of Versailles, relating to the demilitarisation of the Rhineland. M. Barthou wished to make it clear that Belgium had nothing to do with this matter; and, moreover, she did not wish to have anything to do with it. He added that Belgium had not yet recognised the Soviet Government.

(At this point the meeting adjourned.)

#### No. 489

*Record of an Anglo-French Meeting, held in the Room of the Secretary of State for Foreign Affairs at the Foreign Office, on July 10, 1934, at 10.30 a.m.<sup>1</sup>*

[C 4476/247/18]

Present:

#### *United Kingdom—*

The Right Hon. Sir John Simon, G.C.S.I., K.C.V.O., O.B.E., K.C.,  
M.P., Secretary of State for Foreign Affairs.  
The Right Hon. Sir Bolton Eyres Monsell, G.B.E., M.P., First Lord  
of the Admiralty (part of the meeting).  
The Right Hon. Anthony Eden, M.C., M.P., Lord Privy Seal.  
Sir Robert Vansittart, G.C.M.G., K.C.B., M.V.O.  
Lieutenant-Colonel the Right Hon. the Earl Stanhope, K.G., D.S.O.,  
M.C., D.L.  
Mr. O. G. Sargent, C.M.G.  
Mr. R. L. Craigie, C.B., C.M.G. (part of the meeting).  
Mr. W. Strang, C.M.G.  
Mr. R. F. Wigram, C.M.G.  
Vice-Admiral C. J. Little, C.B., R.N. (part of the meeting).  
Captain Danckwerts, R.N. (part of the meeting).

#### *France—*

M. Louis Barthou, Minister for Foreign Affairs.  
M. François Piétri, Minister of Marine.  
M. André Corbin, French Ambassador in London.  
M. Alexis Léger, Secretary-General, Ministry for Foreign Affairs.  
M. René Massigli, Ministry for Foreign Affairs.  
M. Roland de Margerie, French Embassy, London.  
Capitaine de Vaisseau Decoux.

Sir John Simon said that on the previous afternoon a very satisfactory position had been reached, and a formula was left to be adjusted by M. Léger and Sir Robert Vansittart. That formula was now in order, and could be

<sup>1</sup> This record was made by the British representatives for the use of His Majesty's Government.

considered to be approved subject to the approval of the British and French Cabinets. (N.B.—English and French texts of the formula are annexed to these notes.)

Sir John Simon said that on the assumption that the British and French Cabinets approved the formula, it would be well to consider the manner in which action should be taken. It was important to act promptly in view of the suspicions of certain people as to the purpose of the present meeting. Further, as regards Italy, he was sure that it was desirable to make a full communication to the Italian Government before any other announcement or indication reached them.

M. Barthou said that he had already informed the President of the Council of the understanding reached with Sir John Simon, and that he doubted if it was necessary to make a further reference to the French Cabinet. However, the Ministerial Council would meet on the 12th July and he would report what had been done.

He agreed that it was desirable to act quickly. He thought that the Italian Government took great account of the views of the United Kingdom Government. He had told Signor Grandi on the preceding evening that he would go to Rome, and Signor Grandi had seemed very pleased at the prospect. His visit to Rome would be a very practical one, and his object would be to discuss questions on which the French and Italian Governments were at the moment disagreed. Those questions would include those which were particular to France and Italy, and also certain general questions. The particular questions were the naval question, the Libyan question and that of the Italians naturalised in Tunisia. M. Piétri had already been thinking what he could do as regards the naval question. The Libyan question was very complex; but M. Barthou hoped that he might be able to give the Italian Government some satisfaction. He thought it would be easy to agree as regards the Tunisian question. All these questions were dominated by that of the general political relations of France with Italy. Were the two countries agreed in Central Europe? He believed that Italy really wanted the independence of Austria. He hoped that she wanted agreement concerning the questions relating to the Danubian Basin. There was also the question of the attitude of the two countries to Germany and to disarmament. The two Governments must know if the new situation in Germany enabled them to agree together as with the United Kingdom Government.

It would be necessary to prepare these questions carefully before visiting Rome. M. Barthou would go in a very realistic spirit after having considered the questions which separated the two countries. M. Barthou thought that the United Kingdom Government could act very efficaciously at Rome.

As regards Poland, his first feeling had been that the French Government should act first in Warsaw; but on reflection he remembered that the French Ambassador had already made vigorous representations there, and had not merely informed the Polish Government, but had asked them to make known

their views on the questions which the French Government hoped to settle by the Eastern Locarno. The Polish attitude was not absolutely satisfactory. In these circumstances M. Barthou thought that the United Kingdom Government might now tell the Polish Government of the understanding reached in London; this, he was sure, would have a great effect in Warsaw; and he would follow up this action.

The Italian Government had only to be informed and reassured; they had not to sign anything. But the Polish and German Governments had to sign. Those two Governments must not be allowed to think that they were doing anyone a favour by adhering to the proposed arrangements. They would be adhering in their own interest. Let them be given the impression that it was a contribution to European peace which they were asked to make. Let Poland be told that the arrangements now proposed would add force to the agreements already signed; and let Germany be told that it was a matter affecting her own security.

Sir John Simon said that he thought that His Majesty's Government would be ready to act in Warsaw as desired; and that he understood that the French Government would support their action.

In reply to a question by Sir John Simon, M. Barthou said that he had had a conversation with Mr. Henderson on the previous evening. His purpose had been to reassure Mr. Henderson because he (M. Barthou) had heard that Mr. Henderson was very pessimistic and was wondering if he ought not to close the Disarmament Conference. M. Barthou had explained his view that the Conference would have to meet again; for under the terms of the resolution adopted at Geneva in June the work of the commissions on security, guarantees of execution, air questions and arms traffic must come up for consideration by the Conference or one of its subordinate bodies. M. Barthou understood that little progress had been made by the Committee on Guarantees of Execution, though he believed there was a Belgian report. He would mention the air question later. The Security Commission—that of M. Politis—had reached satisfactory conclusions; and the conversations of the preceding day would make it possible to raise this matter again at Geneva. The Commission on the Arms Traffic had reached some quite satisfactory conclusions; therefore the Bureau of the Conference would certainly have something to do when it met again.

Mr. Eden reminded M. Barthou of the view of the United Kingdom Government that, whilst it had been agreed to set up the various commissions which M. Barthou had mentioned, nothing really important could be achieved at Geneva without the co-operation of Germany. That was also the view of the Italian Government and of the United States representatives. The work of the commissions could not be carried much further unless the political question relating to the return of Germany was solved. The world would not be impressed by further deliberations in the commissions unless the outstanding political difficulty had been settled.

M. Barthou said that there was no real contradiction between his view

and that of Mr. Eden. At some moment the Conference would have to meet again. But it was quite clear that if Germany did not return to the Conference, the Conference could not live on the work of the commissions. If Germany did not come back, then the Conference would have to decide to bring its work to an end. But if Germany came back, then it could continue. He thought that the end of the present year was the maximum limit of the life of the Conference under existing conditions. If at the end of the year it was clear that nothing could be done owing to the attitude of Germany, then it would be absurd that the Conference should continue.

M. Barthou had understood from Mr. Henderson that he did not think that the Bureau could be summoned before the 10th or the 15th September. At that moment it would be possible to see if there was a chance that the Conference should continue and live, or if it must be buried. M. Barthou thought that his views were generally in agreement with those explained by Mr. Eden.

Sir John Simon said that he would much like to hear M. Barthou's views on the air question, which was of great importance to Britain.

M. Barthou agreed that the air question was most important and grave. Both Britain and France were directly menaced from the air. Further, they must come to an agreement on the question. Otherwise a very difficult and even dangerous situation might arise. Germany was not asking for bombing aeroplanes, because she had prepared them in quite a different way through her civil aviation. France had always asked for supervision of civil aviation. M. Barthou thought that if the United Kingdom representatives agreed that the air question must soon be examined, it might be possible to assemble an experts' meeting in London or Paris in order to see whether some agreement could be reached between the British and French Governments about supervision.

There was no time to consider this question further during his visit to London; but he thought that, as the experts would not commit the Governments, there could be no harm in their examining the question.

Sir John Simon entirely shared M. Barthou's view as to the extreme importance and urgency of this matter. But he must ask for time to reflect in order that he might consult the Air Ministry and the Lord President of the Council. Speaking for himself, he saw great advantages in M. Barthou's suggestion.

The question of supervision had been considered very closely in London. One of the difficulties which would have to be surmounted was the question how to secure by a system of supervision the practical results desired. Some had suggested an international organisation to own or licence the machines. But the fact would remain that the physical power of transforming the machines would still be in the hands of national authorities. Further, London, in this matter, was, in a sense, at the end of the line, while other capitals were in the middle of things.



At this point the First Lord of the Admiralty, accompanied by Vice-Admiral C. J. Little and Captain Danckwerts,<sup>2</sup> entered the meeting.

Sir John Simon said that he would like a close approximation between the British and French views on the naval question. So far as Europe was concerned, supposing it were possible to reach a close understanding between Britain and France upon certain figures, then a new agreement, which would include other countries, could be built up on the basis of those figures. But if a beginning was not made between Britain and France, there would be nothing constant. He understood that the French Government, like His Majesty's Government, desired a naval agreement. Then it was necessary to know the assumptions on which they could proceed as regards Germany and Italy. They could not be sure that Germany would agree to continue to abide by the present Versailles limits; and it seemed probable that there might be a slight increase of German strength. But, according to information in the possession of His Majesty's Government, the German preoccupations were principally in the Baltic, so that it was to be hoped that the increase asked for would not be very great. In any case, if some estimate could be made of the probable increase of the German strength, then there would be a basis for agreement between Britain and France.

M. Piétri said that he had had some interesting talks with the First Lord of the Admiralty. He did not think there was any real divergence of principle between the British and French views on the technical question. Politically there was the question of Germany and the possible enlargement of the Conference. Sir John Simon had said that, according to his information, the principal preoccupations of Germany were in the Baltic; M. Piétri was not so sure of this, in view of information the French Government had received respecting the characteristics of certain of the ships Germany was building. They were ships with a wide range of action.

In any case, the question of Germany led to another important question, that of the actual relativity of the strength of the fleets. The French Government wished to preserve the relativity suggested by them at Geneva in 1932.<sup>3</sup>

Sir John Simon enquired if the French point of view was that, provided the existing relativity were maintained, their needs would be met. Was he correct in understanding this to mean that, if there was a slight increase on the German side, there would have to be a slight increase on the French side? If he was correct in this assumption, there would be a basis on which to work in consultation with the French.

<sup>2</sup> The First Lord of the Admiralty, Vice-Admiral Little, and Captain Danckwerts had previously met M. Piétri and French naval representatives for a discussion at the Admiralty. M. Piétri had come to London by mutual agreement between His Majesty's Government and M. Barthou in order to hold these conversations. His Majesty's Government were particularly anxious at this time to reach preliminary agreement on naval matters with the French Government in view of the preparations for the Naval Conference which was to be held in 1935.

<sup>3</sup> The reference is to the French plan of November 1932. See Volume IV of this Series, No. 176.

M. Piétri said that it was difficult to answer this question without knowing the conditions under which Germany would enter the Conference. He did not see how Germany could be given the latitude to go beyond the Versailles limits except after consultation with the other interested Powers. That was the delicate point of the negotiation.

Sir John Simon said that he understood that it was intended that the first negotiation should be between a limited number of the great Powers, but that naturally it was desirable first to come to grips with the French case. It was essential to know if the French Government agreed to the preservation of the existing proportions. Then, on the assumption that the German and Italian figures remained generally about the same, it would be possible to begin to build up the structure of the agreement. He thought it was agreed that the five Powers should consult together before the other Powers entered the Conference. But if His Majesty's Government knew the French Government's point of view about relativity, it might be possible for them to ask Germany—bilaterally—if she was satisfied generally with the existing position and that she was not seeking in any new agreement any great increase of the figures.

M. Piétri was inclined to reply in the affirmative as regards Sir John Simon's question relating to relativity, but in its practical application the question was a very difficult one. For the attitude of other Powers, such as Spain, Russia, &c., might affect the whole question. M. Piétri was not sure that it was necessary to put a question of the kind proposed by Sir John Simon to Germany. So far, Germany had not formulated any claim in the naval sphere.

As the luncheon hour had arrived, it was decided that it would be necessary at this point to close the conversation. M. Barthou was returning to Paris in the afternoon, but M. Piétri would be able to stay on in London for a few days and to continue the naval conversation.

(The meeting was then concluded.)

#### ANNEX TO No. 489

##### *Provisional Formula*

On the clear understanding that they do not intend, as far as they are concerned, to assume any new commitments in the matter of regional pacts, His Majesty's Government would be prepared to recommend the scheme for an Eastern Mutual Guarantee Pact to the German, Polish and Italian Governments, provided that they are authorised to inform these Governments as follows:—

1. In the view of the French Government, Russia ought to be prepared to give to Germany as well as to France the same guarantees against non-provoked aggression as those which she would be bound to give if she were a signatory of the Treaty of Locarno.

2. In regard to the proposed Eastern Pact, France would be prepared to give the same guarantees to both Germany and Russia.
3. The French Government agree with His Majesty's Government in holding that the conclusion of such a pact and Germany's participation in the system of reciprocal guarantees now contemplated would afford the best ground for the resumption of negotiations for the conclusion of a convention such as would provide in the matter of armaments for a reasonable application of the principle of German equality of rights in a régime of security for all nations.

*Formule provisoire*

Étant clairement entendu qu'il n'envisage pas en ce qui le concerne d'assumer de nouveaux engagements en matière de pactes régionaux, le Gouvernement de Sa Majesté serait disposé à recommander aux Gouvernements allemand, polonais et italien le plan de pacte d'assistance mutuelle pour l'Est européen, à condition qu'il fût autorisé à informer ces Gouvernements:

1. Que dans la conception du Gouvernement français la Russie devrait être prête à assumer envers l'Allemagne, aussi bien qu'envers la France, les mêmes obligations de garantie en cas d'agression non provoquée que celles qui lui incomberaient si elle était signataire du Traité de Locarno;
2. Que, en ce qui concerne le Pacte de l'Est, la France serait disposée à assumer les mêmes obligations de garantie envers l'Allemagne et envers la Russie;
3. Que le Gouvernement français est d'accord avec le Gouvernement britannique pour estimer que la conclusion d'un tel pacte et la participation de l'Allemagne au système de garanties réciproques envisagées fourniraient le meilleur terrain pour la reprise de négociations en vue de conclure une convention propre à permettre, dans le domaine des armements, une application raisonnable, en ce qui concerne l'Allemagne, du principe de l'égalité des droits dans un régime de sécurité pour toutes les nations.

**No. 490**

*Record of Anglo-French Meeting, held in the Room of the Secretary of State for Foreign Affairs at the Foreign Office, on July 10, 1934, at 4.45 p.m.<sup>1</sup>*

[A 5564/1938/45]

Present:

*United Kingdom—*

The Rt. Hon. Sir John Simon, G.C.S.I., K.C.V.O., O.B.E., K.C.,  
M.P., Secretary of State for Foreign Affairs.

<sup>1</sup> This record was made by the British representatives for the use of His Majesty's Government.

The Rt. Hon. Sir Bolton Eyres Monsell, G.B.E., M.P., First Lord of the Admiralty.

Vice-Admiral C. J. Little, C.B.

Mr. R. L. Craigie, C.B., C.M.G.

Captain Danckwerts, R.N.

*France—*

M. François Piétri, Minister of Marine.

M. André Corbin, French Ambassador in London.

Capitaine de Vaisseau Decoux.

Capitaine de Frégate Duprés.

Capitaine de Vaisseau Latham.

Sir John Simon said that in the light of the proceedings at the morning's meeting<sup>2</sup> and the previous day's meeting at the Admiralty, there were now certain questions which he might define as follows:—

#### *The Character of the Five Power Naval Conference*

The first question was one of procedure, but nevertheless of the first order of importance. Since it was impracticable for a Conference of all Nations to reach concrete conclusions with despatch, it was perhaps inevitable that there should first be a preliminary meeting or 'causerie' between the five principal Naval Powers with a view to seeing what hope there was of agreement; failing some preliminary approach to an understanding between the five Powers there would be no point in convening a larger conference.

M. Piétri agreed, but pointed out that supposing that there is to be later a more general conference Germany would take part along with other Powers. If any approach was made to Germany as had been suggested in order to ascertain her views, this would open the way to a demand by other Powers such as Russia and Spain or the South American Republics to be consulted also in preliminary conversations. M. Piétri therefore, while not wishing to register any disagreement, felt anxious about this point.

Secondly, he said that while France perhaps was not enthusiastic for the continuation of the Washington Treaty under any conditions, he must point out that if Germany was to have any material increase in strength some modification to the Washington Treaty might be necessary both from the point of view of France and from that of other Powers.

Sir John Simon summed up this question by saying that both sides agreed that a preliminary five Power talk was necessary in order to see how far they could get towards agreement before summoning a conference of all Powers.

#### *Date of these Preliminary Consultations*

Sir John Simon informed M. Piétri that from the conversations Great Britain had already had, it appeared that the United Kingdom desired to

<sup>2</sup> No. 489.

commence in January, Japan in April and the U.S.A. in June. He explained that June would be a very difficult time for the United Kingdom on account of the celebrations in connection with the 25th Anniversary of the King's accession and asked for the views of France.

M. Piétri said that, subject to general agreement on the necessity for these conversations and meetings, France agreed that the sooner they were held the better, and therefore was in favour of January.

### *The Approach to Germany*

Sir John Simon asked whether France would see any objection to an approach by the United Kingdom to the German Government at some appropriate moment to discover what the German Government's views were as to the tonnage that she should have in a future general agreement. It was to be understood that the approach would be entirely without prejudice to Germany's position under the Treaty of Versailles and would be made subject to the reservation that the Treaty of Versailles remains in force until all the signatories had agreed to its amendment.

M. Corbin replied that the difficulty would be that if any German quota was discussed in this manner it might come to be regarded as an engagement.

Sir John Simon reiterated that of course the discussion would be entirely subject to the reservation of all rights under the Treaty of Versailles on the part of France and other countries. If the German reply to the question were sufficiently modest the United Kingdom should [*sic*] hope to be able to proceed with discussions with France and other countries on that basis; if, however, Germany demanded an enormous quota it would of course be out of the question and the United Kingdom should not go on with the discussions.

M. Piétri said that France agreed to the suggested procedure but reserved all her rights.

Sir John Simon confirmed that what it was proposed to do would not limit France or any other country in her existing rights and was only a manoeuvre by which at the appropriate moment the United Kingdom might approach Germany on a practical question as to what her figures were to be.

M. Piétri remarked that even if Germany claimed a reasonable quota, Great Britain might be immediately troubled by the reaction on the Washington Treaty since the Washington figures had been accepted with direct relation to the Treaty of Versailles which was already in existence. For instance, the Treaty of Versailles permitted Germany 60,000 tons of Capital Ships (plus 2 ships in reserve). Supposing Germany completes 3 Deut[s]chlands now built and building and demands 2 more ships under some new qualitative limit such as 25,000 tons, that would immediately take Germany over the 30,000 tons remaining for her to build.

Sir John Simon pointed out that this made all the more reason to find out what Germany's intentions were.

### *Approach to Italy*

Sir John Simon asked whether France on her part was prepared to approach Italy at some suitable moment in order, if possible, to regulate the difficulty of Franco-Italian parity.

M. Piétri said he was sceptical about this matter. At the suggestion of the Secretary of State, M. Corbin agreed that the best moment might be when M. Barthou went to Rome when the question might be taken up as one of several related questions which would give the best chance of reaching some solution.

### *Italy's Threatened Construction of two 35,000 Tons Capital Ships*

Sir John Simon informed M. Piétri that Great Britain had already taken steps in Rome to urge that Italy should hold her hand in this matter.

M. Piétri said that to build ships of this size was no advantage to Italy and a great inconvenience to everybody else. France had no desire to reply by laying down ships of equal tonnage, but if Italy actually proceeds to build it would be difficult to avoid making that reply. He thought that there were no technical reasons for building a ship of this size and that it was therefore quite unnecessary.

Sir John Simon agreed but mentioned the difficulty of convincing the U.S.A. in this matter.

### *Further Discussions*

Sir John Simon suggested that, if M. Piétri had no other questions to raise, the experts on both sides should meet together on the following day and discuss technical questions. M. Piétri said that he had no questions to raise other than purely Naval ones and agreed to the proposal.<sup>3</sup>

<sup>3</sup> Further technical conversations between British and French naval representatives took place on July 11 and 12. The question of naval disarmament will be treated in subsequent volumes of this Series.

**No. 491**

*Sir J. Simon to Sir E. Drummond (Rome)*

*No. 614 [C 4435/247/18]*

FOREIGN OFFICE, *July 10, 1934*

Sir,

The Italian Ambassador called on Sir Robert Vansittart on the 5th July and questioned him as to the attitude of His Majesty's Government in regard to an Eastern Locarno. M. Grandi said that Signor Mussolini's opinion was that the question should be most closely examined with a view to seeing what would be its effect on the structure of the existing Locarno. Signor

Mussolini thought that the injection of Russia into the question might alter the structure of the existing Locarno obligations, and he felt that this aspect of the matter should receive most careful consideration before anything further was done.

2. M. Grandi also enquired whether M. Léger had been right in intimating to the Italian Ambassador in Paris that His Majesty's Government were generally in favour of pacts of this nature, and probably, therefore, in favour also of the proposed Eastern Locarno, or whether there had been any alteration in the United Kingdom view as regards regional pacts. Signor Mussolini had been given to understand that there might have been some change in the attitude of His Majesty's Government.

3. Sir Robert Vansittart replied that, generally speaking, His Majesty's Government had always been in favour of regional pacts, and had on more than one occasion said so. To that extent there was, of course, no change in the attitude of His Majesty's Government, and any pact that was likely to prove generally acceptable and to promote the prospects of European peace would naturally be welcome to them. In the existing proposal, however, so far as His Majesty's Government understood it, there seemed to be some entirely new elements, and His Majesty's Government agreed with Signor Mussolini in thinking that all these aspects would have to be most closely considered before they could pronounce a definite opinion.

4. M. Grandi pointed out that the United Kingdom and Italian Governments were co-signatories of Locarno, and observed that Signor Mussolini much hoped that, as soon as His Majesty's Government had concluded their examination and reached a conclusion, they would be good enough to let him know what that conclusion was.

5. It seems evident that Signor Mussolini's attitude towards the new proposal is one of suspicion. It was thus that M. Grandi described the German attitude towards the proposal, and Sir Robert Vansittart said that such information as had reached him also confirmed that the Germans were not welcoming the idea.

I am, &c.,  
JOHN SIMON

## CHAPTER VIII

# Further discussions with regard to an Eastern Pact: German opposition to the proposals: assassination of Dr. Dollfuss (July 11–August 3, 1934)

No. 492

*Sir J. Simon to Sir E. Drummond (Rome), Sir E. Phipps (Berlin), and Sir  
W. Erskine (Warsaw)*

*No. 209<sup>1</sup> Telegraphic [C 4524/247/18]*

FOREIGN OFFICE, *July 11, 1934, 10.30 p.m.*

Following is text of memorandum referred to in my immediately following telegram.<sup>2</sup> Begins:—

I. Treaty of Regional Assistance to be signed by Poland, Russia, Germany, Czechoslovakia, Finland, Estonia, Latvia, Lithuania.

### PART I

(a) These countries would bind themselves, in conformity with the Covenant, immediately to lend assistance to one another in the case of attack by one contracting State on another.

(b) No support would be given by any of the signatories to an aggressor country not a party to the Treaty.

### PART II

(a) In the case of attack or of threatened attack by a contracting country, the other parties would consult together with a view to avoid a conflict and in order to promote a return to peace.

(b) The signatories would undertake the same commitment in the case of attack or of threatened attack by a Power which is not a signatory against a Signatory Power.

(c) The consultations referred to in paragraphs (a) and (b) of Part II could extend to other interested Powers or to Powers entitled to participate in them by virtue of other treaties.

(d) Where one contracting country could benefit from the provisions of Articles 10 and 16 of the Covenant of the League, the other signatories would undertake to secure a complete application of such provisions by the League of Nations.

<sup>1</sup> No. 209 to Rome, No. 123 to Berlin, No. 37 to Warsaw.

<sup>2</sup> No. 496.



## II. Agreement between France and Russia.

(a) As towards France Russia would accept the obligations arising from the Treaty of Locarno as though the Soviet Union were a signatory of that treaty on the same footing as Great Britain or Italy.

(b) As towards Russia France would accept the commitments which would arise for her under Part I, paragraphs (a) and (b) of the Regional Treaty if she were a signatory, in cases where it is a question of action in fulfilment of Article 16 of the Covenant, or decisive action taken by the Assembly or the Council<sup>3</sup> in fulfilment of paragraph 7 of Article 15 of the Covenant.

(c) France would be invited, if the case arose, to participate in the consultations provided for in the Treaty of Regional Assistance under the terms of Article (a) of Part II.

## III. A General Act.

Signatories: All States signatories of the Treaty of Regional Assistance and in addition France:

(a) The two preceding treaties are recognised as being of a character to contribute to the maintenance of peace.

(b) They are without prejudice to the obligations and rights of the contracting parties as members of the League of Nations.

(c) The entry into force of the three acts is subject to their ratification and to the entry into the League of Nations of Russia.

Ends.

Repeated to Brussels, Riga, Prague and Moscow.

<sup>3</sup> The word 'or' was later inserted at this point and the recipients of this telegram were informed by telegram on July 12.

No. 493

*Sir J. Simon to Sir G. Clerk (Paris)*

*No. 99 Telegraphic [C 4524/247/18]*

FOREIGN OFFICE, *July 11, 1934, 11.30 p.m.*

My telegrams Nos. 210 to Rome,<sup>1</sup> No. 125 to Berlin<sup>2</sup> and No. 40 to Warsaw.<sup>3</sup>

You should at once inform the French Government that in accordance with understanding reached with French Embassy this afternoon:—

(1) His Majesty's Ambassador in Rome has now been instructed to express to Italian Government earnest hope of His Majesty's Government that they will share His Majesty's Government's view of French proposals for an Eastern Locarno as amplified and clarified in the agreement reached

<sup>1</sup> No. 496.

<sup>2</sup> No. 497.

<sup>3</sup> Not printed. This telegram, despatched at midnight on July 11, was identical, *mutatis mutandis*, with the first three paragraphs of No. 497.

at the close of yesterday morning's discussion at the Foreign Office. Sir E. Drummond will add that if the Italian Government share this view, which His Majesty's Government do not doubt, His Majesty's Government hope that they will make it known in the capitals directly concerned and particularly in Warsaw and Berlin: and

(2) His Majesty's Ambassadors in Berlin and Warsaw have been instructed to express to German and Polish Governments earnest hope of His Majesty's Government that they also will share His Majesty's Government's view of these proposals, and that in that event, they will do their utmost to ensure the success of the negotiation and will participate in the pact. You should also confirm to Ministry for Foreign Affairs that as agreed with French Embassy today, I shall in a speech in the House of Commons on July 13 give a full account of the arrangements made with M. Barthou and of the action which has been taken thereon.<sup>4</sup> The French Embassy have also informed us that the French Government will give no publicity to any of this until after I have spoken in the House.

<sup>4</sup> See Parl. Deb., 5th ser., H. of C., vol. 292, cols. 691-705.

No. 494

*Sir J. Simon to Sir G. Clerk (Paris)*

No. 1045 [C 4524/247/18]

FOREIGN OFFICE, July 11, 1934

Sir,

This afternoon I told M. Corbin, with reference to the attitude of His Majesty's Government towards the proposed Eastern Locarno Pact, that the Cabinet had this morning approved the position I had taken up in conversation with M. Barthou during the last two days, and that we were consequently now ready to act on the lines indicated in the paper which M. Barthou and I had drawn up to record our common point of view. Accordingly, we wished to despatch a telegram to Rome on the subject at once, but before doing so we required to know whether on the French side we might take it that M. Barthou's agreement represented the view of his Government. I reminded M. Corbin that the French Foreign Minister had made a reserve on this point corresponding to the reserve made by myself, but I added that I had inferred that there was no doubt after M. Barthou's communication with M. Doumergue during the course of our discussions that the French Government would confirm the modified plan as set out in our document. M. Corbin said that he, too, had no doubt that this was so, but he promised to telephone to Paris immediately and to give me a definite answer in a couple of hours.

2. I told the Ambassador that there was a second reason for acting with the greatest promptitude, for there would be a debate on foreign affairs in the House of Commons on Friday, the 13th July, and I should have to

use this occasion to make a statement about the results attained during M. Barthou's visit. I should propose to sketch the French proposals on the lines of the document above referred to and to express His Majesty's Government's desire to support such a plan by urging its adoption in appropriate quarters, though without undertaking any new responsibility of our own. Would the Ambassador ascertain for me whether this course and time-table could be approved by the French Government? It seemed to me most desirable to make this use of Friday's debate, for I hoped that we might then receive support from many quarters in the House, and this would strengthen our influence in urging the French plan in certain foreign capitals. M. Corbin promised to get me an answer to this question also by telephone in the course of the afternoon. I urged on the Ambassador that there must on no account be a prior publication in Paris, for this would be sure to provoke questions and doubts here before an ordered explanation could be given. As the French Parliament was not in session, I imagined that M. Barthou would desire to make an announcement in some form in Paris at the same time as I made my statement in the House of Commons. The exact form of the announcement might be settled later so long as it was firmly agreed at once that nothing would be made public before Friday.

I am, &c.,

JOHN SIMON

No. 495

*Sir J. Simon to Sir E. Drummond (Rome)*

*No. 620 [C 4559/247/18]*

FOREIGN OFFICE, *July 11, 1934*

Sir,

Signor Grandi called for a general talk today. He was anxious to be sure that we had been sufficiently informed of the interview between Signor Mussolini and Chancellor Hitler at Venice, and explained that he himself had only had a very brief account, from which he inferred that the Italian Government was keeping Your Excellency posted at Rome. I told the Ambassador that Signor Suvich had put you in a position to give us fairly full indications of what had passed,<sup>1</sup> but that we gathered that nothing very definite had been decided. With this Signor Grandi concurred, hinting that Chancellor Hitler had not made a very good impression on the Head of the Italian Government.

2. Signor Grandi naturally wished to learn something of my recent conversations with M. Barthou. I told the Ambassador that I was communicating a full account to Your Excellency with a view to Signor Mussolini being informed. His Majesty's Government were undertaking no new commitments of any sort, but we attached importance to securing that the

<sup>1</sup> See No. 462.

proposed new Eastern Pact and connected guarantees, if they were entered into, should really reproduce the element of mutuality which was the distinguishing feature of the Locarno Treaty. We thought, for example, that if it was proposed that Russia should guarantee France in the cases covered by the Locarno Treaty she should guarantee Germany too. It had always to be remembered that if the sort of proposals which M. Barthou had in mind, when suitably modified, did not lead to agreement, the alternative might be a Franco-Russian understanding or alliance, which would tend to bring back the pre-war situation of opposing combinations. We hoped, therefore, that Signor Mussolini would see his way to join with us in encouraging the formation of an Eastern Pact on suitable lines, though we did not suppose that Italy, any more than ourselves, would join in it.

3. After sending Your Excellency a telegram No. 210<sup>2</sup> of today's date, it was arranged that Signor Vitetti should see Mr. Sargent and receive full information as to the terms of our communication through you with Signor Mussolini. Your Excellency may, therefore, assume that the Italian Embassy here is fully informed.

I am, &c.,  
JOHN SIMON

No. 496.

#### No. 496

*Sir J. Simon to Sir E. Drummond (Rome)*

*No. 210 Telegraphic [C 4524/247/18]*

FOREIGN OFFICE, *July 12, 1934, 1.0 a.m.*

1. You should immediately see Signor Mussolini and inform him that principal object of M. Barthou's visit to London was to explain proposals for Eastern Locarno<sup>1</sup> Treaty communicated to us by French Ambassador on June 27 and text of which is contained in my immediately preceding telegram.<sup>2</sup>

2. The form in which M. Barthou first expounded the proposed Pact was open to the objection that it was associated with and conditioned upon a Franco-Russian guarantee which in fact provided no corresponding assurances to Germany if Germany was attacked by France or Russia as the case might be. To the scheme in this form His Majesty's Government in the United Kingdom took objection, pointing out that it could not be regarded as analogous to the Locarno Treaty; for under the Locarno Treaty guarantees were reciprocal and operated as much in favour of Germany as of France, whereas M. Barthou's scheme would naturally be regarded as the association

<sup>1</sup> Foreign Office telegram No. 214 to Sir E. Drummond of July 12 read: 'My telegram No. 210 to Rome. It will be preferable to refer to the French proposal as an Eastern Mutual Guarantee Pact and to avoid the use of the term "Eastern Locarno".' This telegram was repeated to Berlin, Warsaw, Riga, Prague, Brussels, Moscow, and Paris.

<sup>2</sup> No. 492.

of France and Russia for their mutual protection against Germany without any reciprocal assurances to Germany.

3. His Majesty's Government therefore indicated that if they were to show any interest in the proposal for an Eastern Locarno (and in principle His Majesty's Government have already declared their willingness to see the creation of other regional security pacts on the Locarno model as long as it was clearly understood that they did not themselves enter into any new responsibility or commitment) it was essential that this feature should be altered. On the one hand, France should be prepared to give the same guarantee to Germany as it gave to Russia; on the other hand, Russia ought to offer to Germany the same assurances of help if Germany was attacked by France as it was prepared to offer to France if France was attacked by Germany. In other words, if Russia was prepared to underwrite the Locarno Treaty, the new assurances must apply to both sides.

4. There was moreover another important modification which His Majesty's Government succeeded in introducing into the French proposals. They pressed upon M. Barthou that the scheme of an Eastern Locarno was unlikely to be adopted by Germany unless there was associated with it some new prospect of agreement about armaments so that the pursuit of equality of rights in armaments might accompany the new development of a régime of security.

5. On both these matters M. Barthou agreed to give us satisfaction.

6. His Majesty's Government then informed M. Barthou that they had already declared themselves ready to see Russia become a member of the League of Nations if she applied to join it; and that on the clear understanding that they do not intend as far as they are concerned to assume any new commitments in the matter of regional pacts, His Majesty's Government would be prepared to recommend the scheme for an Eastern Mutual Guarantee Pact to the German and Polish Governments, provided that they were authorised to inform these Governments as follows:

(1) In the view of the French Government Russia ought to be prepared to give to Germany as well as to France the same guarantees against non-provoked aggression as those which she would be bound to give if she were a signatory of the Treaty of Locarno;

(2) In regard to the proposed Eastern Pact France would be prepared to give the same guarantees to both Germany and Russia.

(3) The French Government agree with His Majesty's Government in holding that the conclusion of such a Pact and Germany's participation in the system of reciprocal guarantees now contemplated would afford the best ground for the resumption of negotiations for the conclusion of a convention such as would provide for a reasonable application of the principle of German equality of rights in a régime of security for all nations.

7. M. Barthou agreed to these stipulations; and His Majesty's Government have decided to recommend the scheme in Berlin and Warsaw.

8. You should express to Signor Mussolini the earnest hope of His Majesty's Government that as a co-guarantor with them of the Treaty of

Locarno the Italian Government will share their view of the French proposals as now amplified and clarified. The reciprocal character of the Pact as now proposed is unexceptionable, and if the Italian Government share this view, which we do not doubt, His Majesty's Government hope that they will make known their view in the capitals directly concerned and particularly in Warsaw and Berlin.

9. We should greatly appreciate the co-operation of the Italian Government whom we have been anxious to inform the first, of our conversations with M. Barthou. One consideration which must always be borne in mind is that if a further regional security Pact of this character is not successfully negotiated, the alternative may easily come about of a Franco-Russian understanding or alliance on the pre-war model. We should regard this as an unfortunate return to the system of select alliances; whereas it has been our object throughout, as we believe is also the case with Italy, to promote reciprocal good relations and find means of reconciling the French and German points of view.

10. There will be a Debate on Foreign Affairs in the House of Commons on Friday, in the course of which I shall be challenged as to the nature and outcome of our conversations with M. Barthou. I should greatly appreciate an indication of Italian approval and co-operation. We assume that Italy, like ourselves, would take no new responsibilities in connexion with the proposed Eastern Locarno, and I feel sure that Signor Mussolini will agree as to the importance of the changes which have been introduced into the scheme in order to establish its reciprocal character and to follow closely the original Locarno model. Italy and the United Kingdom stand in the same relation to the original Locarno Treaty, and we attach the greatest importance to our two Governments adopting a corresponding attitude to the new proposals.

Repeated to Berlin, Warsaw, Riga, Moscow, Paris, Prague and Brussels.

#### No. 497

*Sir J. Simon to Sir E. Phipps (Berlin)*

*No. 125 Telegraphic [C 4524/247/18]*

FOREIGN OFFICE, *July 12, 1934, 1.0 a.m.*

You should immediately see the Minister for Foreign Affairs and inform him that principal object of Monsieur Barthou's visit to London was to explain proposals for Eastern Locarno Treaty communicated to us by French Ambassador on June 27, and text of which is contained in my telegram No. 209 to Rome.<sup>1</sup>

You should then explain what passed in this connexion on the lines set out in paragraphs 2-7 of my telegram No. 210 to Rome.<sup>2</sup>

You should express the hope of His Majesty's Government in the United

<sup>1</sup> No. 492.

<sup>2</sup> No. 496.

Kingdom that the German Government will share their view of the French proposals as now amplified and clarified. The reciprocal character of the Pact as now proposed is unexceptionable, and if the German Government share this view, which we do not doubt, His Majesty's Government earnestly hope that they will do all in their power to secure the success of the negotiations and that they will participate in the proposed Pact.

You should explain to the Minister for Foreign Affairs that His Majesty's Government had considerable sympathy with the original objection to the Pact made by the German Government through their Ambassador in London that the Pact was not, so far as Germany was concerned, of a reciprocal character. But as the result of the representations of His Majesty's Government this objection has been removed; Germany would now be on a footing of complete equality within the framework of the proposed agreements; and they follow exactly the Locarno model.

Repeated to Rome, Paris, Warsaw, Riga, Moscow, Prague and Brussels.

#### No. 498

*Sir E. Phipps (Berlin) to Sir J. Simon (Received July 12, 6.45 p.m.)*

*No. 188 Telegraphic [C 4555/29/18]*

BERLIN, *July 12, 1934, 4.45 p.m.*

General von Blomberg told me last night that Chancellor will in the Reichstag tomorrow tell the whole truth about recent events but not, it seems, the names of the killed who number about 70. No executions under martial law took place after midnight on July 1. Himmler stopped two executions five minutes later although it was subsequently shown that one of the prisoners had planned his death.

Absolute proof existed of a Röhm-Schleicher plot. If Schleicher had not drawn his revolver he would nevertheless have been shot on evening of his arrest for treachery to Herr Hitler and treasonable plottings with a foreign power. Frau von Schleicher very courageously threw herself in front of her husband and nobody regretted her death more than Hitler.

Stern repressive measures had been absolutely essential to avoid a civil war. The army would have been ready to take part in repression but the Chancellor preferred that they should not intervene and undertook those measures with the help of loyal and efficient S.S.

When disarming the S.A. many arms of foreign manufacture had been found. I pointed out that these probably came originally from communists and this His Excellency did not deny.

General von Blomberg remains convinced that the only alternative to Hitler is communism; Röhm had collected numbers of dangerous communists around him. He is quietly confident of the future and means, like the Chancellor and Minister for Foreign Affairs, to take his annual holiday in a few days.

No. 499

*Sir E. Phipps (Berlin) to Sir J. Simon (Received July 12, 10.0 p.m.)*

*No. 190 Telegraphic [C 4557/247/18]*

BERLIN, July 12, 1934, 8.25 p.m.

Your telegram No. 125.<sup>1</sup>

I made communication this afternoon to the Minister for Foreign Affairs as instructed.

His Excellency promised that the German Government will give the matter earnest consideration but his first reactions were definitely unfavourable.

Baron von Neurath says:

(1) that the first essential condition would be that *complete* German equality of rights should be obtained before conclusion of such a pact. In other words Germany would expect complete equality of armament instead of proportion of defensive weapons as she now demanded.

(2) Germany has already her agreement with Poland, she is not a neighbour of Russia; as regards France she is covered by Locarno and with Czechoslovakia she has no quarrel.

(3) His Excellency thinks that Poland also will not view the proposal with favour.

If Great Britain were a party, German objections would fall.

I pointed out that this was quite impossible.

Arguments I advanced in favour of the pact as being likely to be the best means of ensuring peace and satisfactory disarmament convention failed to produce any impression but His Excellency promised to give the matter his close and immediate attention.<sup>2</sup>

Repeated to Rome, Warsaw, Riga, Moscow, Prague, Paris and Brussels.

<sup>1</sup> No. 497.

<sup>2</sup> Mr. Wigram minuted on this telegram on July 13: 'This telegram is not clear—what is meant by the statement that German objections would fall if Great Britain were a party? Presumably not that the claim to *complete* German equality of rights would be abandoned? Also I wish Sir E. Phipps would talk of equality of rights *in armaments* if that is what he means—otherwise all sorts of ugly questions are raised in one's mind.' This point was mentioned in a private letter of July 17 to Mr. Newton from Mr. Wigram.

No. 500

*Sir E. Phipps (Berlin) to Sir J. Simon (Received July 13)*

*No. 164 Saving: Telegraphic [C 4579/247/18]*

BERLIN, July 12, 1934

Your telegram No. 125<sup>1</sup> and my despatch No. 822<sup>2</sup> of today's date.

<sup>1</sup> No. 497.

<sup>2</sup> Not printed. This despatch of July 12 summarized German press comments on the projected Eastern pact and the attitude of His Majesty's Government, and enclosed an article from the 'Berliner Tageblatt' of July 11 regarding M. Barthou's visit to London.



Following statement which appears in 'Frankfurter Zeitung' this morning appears to reflect the view in departmental circles.

The uncertain attitude adopted by the Foreign Office in recent weeks has made it easy for M. Barthou to obtain from England the desired concessions for the new French policy of alliances. The principal points in Mr. MacDonald's foreign policy seem to have been abandoned. While England refuses to be a party to further pacts, she abets France's efforts to obtain such pacts. An Eastern European pact would be a fresh instrument for anchoring French hegemony in Europe, a hegemony which London is, at last, apparently prepared to recognise. An Eastern Locarno would be in dangerous contradiction to the Treaty of Locarno itself in which Germany, on account of her central position, was given a guarantee that foreign troops would not be allowed through her territory. Yet such a pact would involve the march of French troops through Germany. The introduction of the Soviet Union as an additional guarantor of the Western Locarno is an absurdity. Does the existing guarantee not suffice, or has there ever been any threat from the German side on France's eastern frontier? Such a Russian guarantee would involve the passage of the Red Army through Poland and Germany, so that their security would be threatened rather than strengthened by the introduction of Russia.

The disarmament discussions are apparently abandoned and the MacDonald plan consigned to the pigeon-hole, despite the far-going understanding between Germany, Italy and England on the question of disarmament. Since the last speech of Mr. Eden on July 5<sup>3</sup> and M. Barthou's visit lies a change which switches English policy on to dangerous lines. Russia has won a new importance which some European States will hardly welcome. She now comes forward as candidate for membership of the League, and though unlike England Germany never objected to her candidature, the small States—whose voices were always heard when raised against Germany—are no longer even consulted. M. Barthou conducts a very sovereign policy towards his allies, while ignoring the principle so important for European peace of Germany's equality of footing ('Gleichberechtigung'). Does England approve of this policy?

<sup>3</sup> In a speech at Stoke on July 5, Mr. Eden said that as regards territorial security Great Britain had already gone in the Locarno Treaties as far as she could go. His Majesty's Government stood by the Locarno Treaties but were not prepared to extend British commitments in respect of those treaties to other parts of Europe with which Great Britain was not so intimately concerned.

*Sir E. Drummond (Rome) to Sir J. Simon (Received July 13, 9.30 a.m.)*  
*No. 203 Telegraphic [C 4558/247/18]*

ROME, July 13, 1934, 2.30 a.m.

Your telegram No. 210.<sup>1</sup>

I saw Signor Mussolini this evening.<sup>2</sup> At the beginning of the interview he pointed out that Herr Hitler intended to make an important speech tomorrow. This speech would, he understood, deal primarily with the question of the pact but he also intended to take up the theme of Herr Hess's recent speech<sup>3</sup> and to enlarge on Franco-German relations particularly as Herr Hess's statements had had comparatively favourable reception in France. In view of the importance of this speech he enquired whether it might not be possible for you to postpone your statement until you had had opportunity of reading Herr Hitler's declarations as they might throw some light on German views as to the suggested Pact.

2. I replied that I feared from my knowledge of parliamentary procedure that it would be very difficult and indeed impossible for a postponement to take place. Signor Mussolini accepted this and said that in that case he would pass to the substance of the question.

3. He expressed in warm terms his appreciation of the manner in which you had handled the matter. He congratulated you particularly on having extracted the poison from the original French proposals which would clearly have had for effect the isolation of Germany against whom they would have been directed. The Italian attitude was the same as ours. Regions over which the Pact would play were not of direct interest to Italy but now that there was absolute reciprocity for Germany Italy would view conclusion of such a Pact with sympathy. He said that when this Pact had been discussed at Venice meeting Herr Hitler was opposed to it because it seemed clearly to be framed against Germany. Now, however, that there was complete reciprocity he thought Germany might accept it. I remarked that I shared his hope because it would also give Germany opportunity of renewing negotiations on armaments question.

4. Signor Mussolini commented somewhat on the fact that small Baltic States and Czechoslovakia were included in the Pact. He enquired somewhat sarcastically what help Lithuania could give to Russia if the latter were attacked. Further might not Lithuania's position in connexion with Vilna as regards Poland and with Memel as regards Germany render conclusion of Pact more difficult. Nevertheless he said that he understood reasons which necessitated all the Powers in region concerned being included

<sup>1</sup> No. 496.

<sup>2</sup> This telegram was drafted on July 12.

<sup>3</sup> The reference is to a speech by Herr Hess on July 8 at a National Socialist party meeting in East Prussia, in the course of which he appealed to France to try to reach an understanding with Germany in order to save the two countries from the horror of another war.

in re-organisation. I said I was delighted at attitude he had taken up and that I felt sure that you would be.

5. Practical point now remained as to what you could say with regard to Italy in your speech tomorrow. After some discussion we reached the following text which I trust you will approve and to which Signor Mussolini agreed:

'The attitude of Italy as a signatory to Pact of Locarno is similar to that of United Kingdom. On the clear understanding that Eastern Pact of mutual guarantees does not imply any fresh engagements on her part Italy regards with sympathy proposals which are made on a basis of absolute reciprocity between all the countries concerned. This is particularly the case when such proposals offer fresh possibilities in field of a limitation or reduction of armaments and as regards implicit recognition of equality of rights.'<sup>4</sup>

6. Mention of equality of rights was Signor Mussolini's own contribution to the formula. I understand that some communiqué to above effect is likely to appear in Italian press tomorrow evening at the latest.<sup>5</sup>

Repeated to Paris, Berlin and Warsaw.<sup>6</sup>

<sup>4</sup> This statement was quoted by Sir J. Simon in his speech in the House of Commons on July 13. See No. 493, note 4.

<sup>5</sup> An official communiqué on similar lines was issued in Rome on July 13. Sir E. Drummond was congratulated, by telegram on July 13, on his share in the satisfactory result of this interview and was instructed to express to Signor Mussolini 'the gratification of His Majesty's Government at this close identity of his and their views'.

<sup>6</sup> This telegram was repeated to Moscow by the Foreign Office on July 13.

## No. 502

*Mr. Knatchbull-Hugessen (Riga) to Sir J. Simon*  
(Received July 13, 6.15 p.m.)  
*No. 90 Telegraphic [C 4586/247/18]*

RIGA, July 13, 1934, 6.5 p.m.

Your telegrams Nos. 49 to 51.<sup>1</sup>

Latvian Government have asked me for information regarding pact proposals discussed with M. Barthou and attitude of His Majesty's Government to these proposals. They are instructing the Latvian Minister in London to make similar enquiry.

I have replied very generally that while undertaking no further obligations themselves His Majesty's Government would favour agreement on an absolutely reciprocal basis. May I give them more information on the lines of your telegrams to Rome Nos. 209<sup>2</sup> and 210<sup>3</sup> (paragraphs 3 to 7)?

<sup>1</sup> Nos. 492, 496, and 497 were repeated to Riga as Foreign Office telegrams Nos. 49, 50, and 51 respectively.

<sup>2</sup> No. 492.

<sup>3</sup> No. 496.

Their own attitude seems to resemble that of His Majesty's Government. They would only enter into the pact on reciprocal basis if Germany participated and whose [*sic*] sole aim is to increase general security. They will lend themselves to no manœuvre which would appear directed against any one Power.

No. 503

*Sir W. Erskine (Warsaw) to Sir J. Simon (Received July 14, 9.30 a.m.)*  
*No. 37 Telegraphic [C 4589/247/18]*

WARSAW, July 13, 1934, 6.30 p.m.

Your telegram No. 40.<sup>1</sup>

I spoke to Minister for Foreign Affairs yesterday in accordance with your instructions. After correctly summarizing my communication His Excellency said that he could only report that so far as Poland was concerned position remained as he had described it in our last conversation (see my telegram No. 36,<sup>2</sup> July 5 [6], paragraph 1); he had on the same day told the French Ambassador that he could not accept proposed Pact even in principle until he had completed exhaustive study of all its implications and liabilities. That was still the case.

On my suggesting that modifications now proposed eliminated one of Poland's main objections, namely, that adherence to a Pact which had the appearance of being directed against Germany might compromise German-Polish relations, he admitted that they might make it more acceptable to Germany but gave me to understand that nothing short of participation of His Majesty's Government, which he realized was out of the question, would be regarded by Poland as introducing a really new factor.

On my inviting him to be more precise as to his other difficulties he said that while he had nothing against regional Pacts in principle it all depended on what countries were included. Why, for instance, were some countries included in the present proposal—he mentioned Czechoslovakia—and others excluded? He did not demur to my suggestion that Lithuanian difficulty, to which he had again referred, was a minor matter for which it should not be impossible to devise a suitable formula, but he again expressed scepticism as to Russian intentions believing that all she wanted was a Pact with France to the exclusion of Germany though he failed to see how Russia could assist France against Germany across Poland's body. M. Beck added that he would have to obtain further information as to attitude of Germans, Soviet Government and of Baltic States. He would have an opportunity of consulting Latvian and Estonian Governments in person as he was leaving for Tallinn on July 23 to return the visit of Estonian Minister for Foreign Affairs and would pass through Riga.

I asked what his attitude would be if Germany accepted Pact as modified.

<sup>1</sup> Not printed. See No. 493, note 3.

<sup>2</sup> No. 484.

His reply was non-committal. He said while Poland might consider that her position under existing arrangements was more satisfactory she would of course give fullest consideration to proposals for a comprehensive arrangement ensuring general European stability.

He made no comment on the proposal in connexion with German armaments.

Effect of conversation is to strengthen impression already reported in last paragraph of my telegram referred to above. I doubt if we shall get a more definite reply for a long time if indeed at all.

Repeated to Paris, Berlin, Rome, Prague, Moscow, Riga and Brussels.

**No. 504**

*Sir J. Simon to Sir E. Phipps (Berlin)*

*No. 131 Telegraphic [C 4664/247/18]*

FOREIGN OFFICE, *July 14, 1934, 3.40 p.m.*

Counsellor of German Embassy was asked last night to impress upon his Government the following facts in connexion with your communication with regard to the proposed Eastern Pact of Mutual Guarantee:—

(1) In order to meet what we understood to be the criticism of the German Government, M. Barthou had agreed to modify the original scheme in such a way as to ensure that it conformed in all respects to the principle of complete reciprocity. Germany's position, therefore, within the scheme would be one of absolute equality:

(2) Although His Majesty's Government were not proposing to participate in the scheme, they were naturally very interested in it because they feared that if it failed it would represent the failure, at any rate for the time being, of the system of international mutual co-operation in Europe, and they foresaw a return to the old method of obtaining security by means of mutually antagonistic *blocs*, which we had known to our cost before the war, and which in the present instance would take the form of a Franco-Russian alliance. It was in the interest of both Great Britain and Germany to prevent such a retrograde movement:

(3) If Germany was unable to accept the scheme in its present unexceptionable form, it might be difficult for His Majesty's Government to intervene further on Germany's behalf. On the other hand, if the scheme did materialise His Majesty's Government would naturally be concerned to see the system properly applied:

(4) Lastly it was emphasized that the Italian Government, who had originally been very critical of the scheme, were now satisfied that, as modified, it represented a practical contribution to the stabilisation of Eastern Europe.

German Counsellor was afraid the first impressions produced on his Government were definitely bad. The German Government were surprised and shocked that His Majesty's Government should have taken the initiative

in this matter and should have done so with such precipitancy and publicity.

It was pointed out to German Counsellor that it was hardly correct to describe it as a British initiative, seeing that on June 12 Herr von Hoesch had communicated to the Secretary of State the French scheme, and having pointed out the objections the German Government saw in it, had asked his opinion of the scheme. Since then His Majesty's Government had carefully considered the German criticisms, and in so far as they appeared valid, had arranged with M. Barthou that the scheme should be modified in order to meet them. All we were now doing in Berlin was to tell the German Government what we had done and, in answer to the German Ambassador's question, to say that we considered the scheme in its modified form as eminently desirable in the interests of European stability.

As for our precipitancy and publicity, German Counsellor would readily understand that we had been compelled to act promptly so as to make our communication to the German Government before the debate in the House of Commons. It was not possible to postpone this debate, nor was it possible during the debate to avoid giving an account of M. Barthou's visit. These facts made it necessary for us to act at once and to make public what we were doing.

German Counsellor then turned to the argument that Germany was being asked to give her signature to a pact which, however modified, the German people would still consider constituted a confirmation of France's hegemony in Europe, and that she would be giving this signature without receiving any *quid pro quo* as regards the matter which directly interested her, namely the achievement of her equality of rights. It might be very different, (but here German Counsellor, it was understood, was expressing only a personal impression), if the present vague assurance on this point developed into a definite undertaking to negotiate a settlement on the basis of Germany's demands of April 16.<sup>1</sup> It was pointed out that there might be something in this argument if Germany was being asked to make any concession or sacrifice in signing the proposed pact; but far from this being the case Germany stood to gain not only through the pact itself, but by the fact that it would improve her position in the matter of equality of rights. On the other hand, if Germany refused the pact in present circumstances, it would be very difficult to convince world public opinion that she was doing so because her signature would involve a sacrifice of German interests without any adequate *quid pro quo*.

Repeated to Moscow, Paris and Rome.

<sup>1</sup> See No. 402.

No. 505

*Sir E. Phipps (Berlin) to Sir J. Simon (Received July 16)*

*No. 166 Saving: Telegraphic [C 4597/247/18]*

BERLIN, July 14, 1934

My telegram No. 190.<sup>1</sup>

I informed the Minister for Foreign Affairs at my interview with him on July 12 that the principal object of M. Barthou's visit to London was to explain the French proposals for an Eastern Treaty of Regional Assistance.

I explained to His Excellency what passed in London in that connexion, on the lines set forth in paragraphs 2 to 7 of your telegram No. 210 to Rome.<sup>2</sup> I thereupon expressed the hope of His Majesty's Government in the United Kingdom that the German Government would share their view of the French proposals as now amplified and clarified. I added the further remarks contained in the two final paragraphs of your telegram No. 125 to me.<sup>3</sup>

Finally I handed to Baron von Neurath on two separate pieces of paper, without any heading, (a) the text of your telegram No. 209 to Rome<sup>4</sup> beginning at '1. Treaty of Regional Assistance' down to the end of the telegram, viz, the word 'Russia'; and, in order to make perfectly clear to His Excellency the conditions under which His Majesty's Government recommended the scheme for a pact, I also handed to him (b) the text of the three conditions contained in your telegram No. 210 to Rome beginning 'In the view of the French Government' down to 'in a régime of security for all nations'.

I made it clear to Baron von Neurath that these two documents were not to be considered as written communications, but as purely verbal ones and that the three acts were merely rough outlines of the original proposals that M. Barthou had made in London.

<sup>1</sup> No. 499.

<sup>2</sup> No. 496.

<sup>3</sup> No. 497.

<sup>4</sup> No. 492.

No. 506

*Mr. Knatchbull-Hugessen (Riga) to Sir J. Simon (Received July 24)*

*No. 300 [N 4368/131/59]*

RIGA, July 14, 1934

Sir,

With reference to my despatch No. 292<sup>1</sup> of the 11th July, I have the honour to inform you that, since the conclusion of the 'preliminary' Baltic States Conference at Kovno, I have had opportunities of seeing the Secretary-General of the Latvian Ministry for Foreign Affairs and my Lithuanian

<sup>1</sup> Not printed. This despatch enclosed a translation of a statement to the press by M. Munters, Secretary-General of the Latvian Ministry for Foreign Affairs, on the subject of the Latvian-Lithuanian-Estonian Conference held at Kovno on July 7.

colleague (who, incidentally, is on the point of returning to Kovno to take up the post of Secretary-General at the Ministry of Foreign Affairs).

2. Their accounts of the results of the Conference correspond. The discussions appear to have been cordial. The principles of community of interests and co-operation were established. It was decided that concerted action should be taken in all matters of common interest, that the diplomatic and consular officers of each country should be instructed to co-operate and that biennial (or, if necessary, more frequent) meetings of the three Ministers for Foreign Affairs should take place. Some difficulty was experienced in fitting the Vilna question into this framework. It was found to be the only point on which the interests of the three countries did not accord (I was specifically assured, in reply to my not unnatural enquiry, that Memel was not so regarded). It was finally agreed, with reference to Vilna, that in matters not of common interest none of the three States would take action adverse to the interests of the other. I understand that this implies that Latvia and Estonia will do nothing likely to prejudice the Lithuanian standpoint in regard to Vilna, while Lithuania will not cause difficulty for the other two by too active insistence on her claims.

3. Some progress was made in discussions regarding procedure, and I learn from Kovno that a number of articles were initialled for eventual inclusion in the contemplated treaty. Further meetings between representatives of the three Governments are to take place.

I have, &c.,

H. M. KNATCHBULL-HUGESSEN

**No. 507**

*Sir J. Simon to Mr. Knatchbull-Hugessen (Riga)*

*No. 55 Telegraphic [C 4586/247/18]*

FOREIGN OFFICE, *July 16, 1934, 10.0 p.m.*

Your telegram No. 90.<sup>1</sup>

You should inform the Latvian Government that as proposals for Eastern Pact of Mutual Guarantee are those of French and Russian Governments, you presume that details will have been communicated to them by French and/or Russian representatives. It is clearly not for you to communicate them.

You should, however, explain that His Majesty's Government in the United Kingdom have, in the circumstances described in paragraph 6 of my telegram No. 210 to Rome,<sup>2</sup> agreed to recommend the scheme to the German and Polish Governments and that they will naturally be glad to see the Latvian Government and the Governments of the other Baltic States do what they can to secure the success of the negotiations and participate.

You should emphasize strongly the reciprocal character of the proposed arrangements.

Repeated to Paris, Moscow, Warsaw, Berlin and Rome.

<sup>1</sup> No. 502.

<sup>2</sup> No. 496.



No. 508

*Sir J. Simon to Sir G. Clerk (Paris)*  
*No. 62 Saving: Telegraphic [C 4849/247/18]*

FOREIGN OFFICE, *July 17, 1934*

My despatch of July 11<sup>1</sup> forwarding copies of memoranda exchanged with French Embassy on July 4<sup>2</sup> and 7<sup>3</sup> respecting certain juridical points arising out of proposed Eastern Pact of Mutual Guarantee.

Please give following explanation to M. Léger, with reference to statement in paragraph 2 of French Embassy's memorandum of July 6 that decision as to whether or not to include in the Treaty a definition of the aggressor must be left to the parties to the Treaty.

Our position on this point is that while we approve of the general scheme of the Eastern Mutual Guarantee Pact, we could not approve, still less urge Germany to accept, a definition of the aggressor which we have consistently opposed since it was first put forward at Geneva. We hope, therefore, that, even if it is thought desirable to define further the 'attack' which is to bring the guarantee into operation (and we are by no means convinced that this is necessary, especially if the Council is to decide whether such an 'attack' has taken place), it will be possible to avoid employing any definition which we should not be able to advise Germany to accept. This point is of course a detail, but one of some importance.

Repeated to Rome, Berlin, Warsaw, Moscow, Riga, Brussels and Prague.

<sup>1</sup> Not printed.

<sup>2</sup> See No. 481.

<sup>3</sup> See No. 486.

No. 509

*Mr. Knatchbull-Hugessen (Riga) to Sir J. Simon*  
*(Received July 18, 5.45 p.m.)*

*No. 91 Telegraphic [N 4228/131/59]*

RIGA, *July 18, 1934, 5.25 p.m.*

Secretary-General of Latvian Ministry of Foreign Affairs informs me that Estonian Minister for Foreign Affairs is visiting Moscow on July 28 and July 29 and that Lithuanian Minister for Foreign Affairs will go a few days later.

Latvian position is that they intimated in May last that it would be impossible for Latvian Minister for Foreign Affairs and Prime Minister to go abroad for a year. They have been informed by the Soviet Government that but for this intimation M. Ulmanis would also have been invited. He has not been invited nor has any Latvian representative. Latvian Government are indeed most anxious that they should receive no invitation as (so Secretary-General tells me) they would be forced to refuse it. Secretary-General added that no conference of any kind could take place in Moscow. He was most anxious that all this should be kept secret.

Repeated to Moscow, Warsaw, Berlin and Helsingfors.

*Sir J. Simon to Viscount Chilston (Moscow)*

No. 352 [N 4029/16/38]

FOREIGN OFFICE, July 18, 1934

My Lord,

The Soviet Ambassador called on Sir R. Vansittart on the 3rd July and spoke at some length on Anglo-Soviet relations.

2. M. Maisky said that there was a strong and earnest desire in his country for closer and better Anglo-Soviet relations. This desire was, of course, to a large extent created by fear of Germany. His Excellency was quite frank on that point, but remarked that this otherwise disquieting phenomenon could surely be turned to good account. There were, he said, two points at which his countrymen were suspicious of British policy, to wit, Japan and Germany.

3. Sir R. Vansittart replied that, in regard to Japan, representations had already been made at Moscow regarding the senseless and provocative speech of M. Manuilski. He was making no further complaint about that now, nor did he desire to bring the matter into the present conversation, except to point out that foolish insinuations on the part of responsible Russians that this country was trying to stir up war between Russia and Japan in the Far East could only have an effect opposite to that which M. Maisky desired, and which, of course, he reciprocated. M. Maisky said that there was, none the less, a genuine apprehension, or misapprehension, in Russia respecting British policy in the Far East; to which Sir R. Vansittart replied that the Soviet Government themselves must have produced that impression, for no well-informed person—and M. Maisky himself was, of course, among the best informed—could for a moment credit so fantastic a tale as that of a British desire for warfare in the Far East. The theory ran against every element of commonsense. The Russians considered themselves vulnerable in the Far East, and had recently taken very considerable measures to correct this vulnerability. The British Empire also had its tender spots in the Far East, and the only régime which could suit it there was one of peace. His Majesty's Government wished, of course, to be on as good terms with Japan as their commercial differences with her permitted; and they also wished, of course, that Russia, too, should be on as good terms as possible with Japan. Their interests, financial and commercial, in the Far East were far too great for any other attitude to be possible. M. Maisky could very easily satisfy himself on that point by enquiring in any quarter of London that he desired—the House of Commons, the City, the press.

4. M. Maisky replied that he, of course, appreciated all this, but felt, none the less, that a considerable step would have been taken in furthering Anglo-Soviet relations if some public statement could be made by a prominent British statesman that British policy in the Far East was one of peace

all round; and he added that he would be grateful if some similar note could be struck in the press. Sir R. Vansittart said that he saw no difficulty whatever about this. He thought, indeed, that such statements had frequently been made in the past; but if it would really help Anglo-Soviet relations to have this truth reiterated, he felt sure that I would be most sympathetic to the idea. Like himself, I would be only too glad, he knew, to promote Anglo-Soviet relations by such laudable and simple means.

5. M. Maisky then spoke of the question of Russia's entry into the League of Nations. He said that he had no definite information of his Government's intentions in this respect. There was, however, an impression in his country that His Majesty's Government were unfavourable, or at least rather cold, to the idea. Sir R. Vansittart replied that he considered such an impression would be quite unjustifiable, since His Majesty's Government had stated on more than one occasion that, if Russia desired to join the League, she would be welcome, so far as they were concerned. M. Maisky said that he well recalled these statements, but that they had left upon him an impression of tepidity. Sir R. Vansittart replied that M. Maisky had himself just said that he was unaware of the intentions of his Government. So were His Majesty's Government; and so long as they were, it would surely be tactless and even dangerous on their part to go further than they had gone. Surely, if they adopted any attitude which would have the appearance of putting pressure upon the Soviet Government, and the latter then decided not to join, the effect on Anglo-Soviet relations would be exceedingly bad, and would constitute a great encouragement to those who endeavoured to make mischief between the two countries. It would certainly be alleged in many quarters that the Soviet Government had been somewhat hypocritically toying with the League, and were animated by some sinister design which had all along prevented them from joining it. He thought, therefore, that the attitude of His Majesty's Government in this respect had been everything which both tact and courtesy enjoined. M. Maisky seemed to appreciate this argument.

6. M. Maisky then passed to the other point, at which, he said, the British attitude was being misinterpreted in Russia. That point was in Eastern Europe, and the specific cause of misinterpretation was the proposed 'Eastern Locarno'. The Soviet Government understood that this country was not prepared to take on further commitments in those regions, but they had always understood that His Majesty's Government were favourable to the idea of regional pacts. In fact, His Majesty's Government had proclaimed their favour in the past. Now, however, when a serious attempt was being made to put these recommendations into practice, not only did His Majesty's Government hold entirely aloof, so that nobody could tell whether they were still of the same mind, but the British press had shown itself so generally unfavourable or suspicious of the idea as to suggest that such unanimity was officially inspired.

7. At this point Sir Robert repeated to M. Maisky the well-known truth that the press in this country was entirely independent; and he was able to

point to the recent attitude of 'The Times' in regard to Germany as an illustration of the particular independence of a paper (which M. Maisky had quoted) widely and erroneously supposed to be under official guidance. He told him that he entirely disagreed with the attitude of 'The Times' towards Germany, and that no official encouragement had been given to any newspaper, so far as he was aware, to 'crab' proposals for an Eastern Locarno. The difficulties of the French and Soviet Governments in this respect lay, as M. Maisky and he both knew, in Berlin and Warsaw, and possibly in Rome, but not in London. M. Maisky fully recognised the truth of this, but added frankly that his Government would be really grateful for a little British support in that direction. He assured Sir Robert most earnestly that the project for an 'Eastern Locarno' was in no wise intended to encircle Germany, but was meant to maintain peace in a Europe of which Germany was probably the most dangerous member. As for his own Government, peace was quite indispensable to them for a very long time to come in any case, and now they found themselves threatened on both flanks by the two great militarist Powers. He believed that the conclusion of a pact such as the Soviet Government now had in mind would be a real contribution to peace; and, since peace was as much the policy of His Majesty's Government as that of the Soviet Government, surely the latter could be given some encouragement in promoting it? This encouragement he would like to see given not only in the House of Commons, but also in the press.

8. Sir R. Vansittart replied that M. Maisky was, of course, entirely right in assuming that the policy of His Majesty's Government was as peace-loving as that of the Soviet Government; and he would certainly consult me as to the means which could be found for emphasising this well-known fact. As to the press, he personally had not noticed that it was so hostile to the idea of an 'Eastern Locarno'—in fact, he had not noticed that it was hostile at all. M. Maisky said he had in mind particularly 'The Times' and the 'Daily Telegraph'. Sir Robert interjected that both these organs had that very morning considerably changed their tone in regard to Central European politics. M. Maisky then developed the subject of the 'Eastern Locarno', using most of the arguments already used by the French Government in general, and by M. Léger in particular.

9. The interview was most friendly throughout; and M. Maisky himself seemed genuinely anxious to do anything he could to further Anglo-Soviet relations, even if his motive was anxiety rather than affection. He concluded by saying that he thought there ought to be better and more frequent contacts between Sir R. Vansittart and himself, a view which Sir Robert cordially reciprocated, saying that he was, of course, at His Excellency's disposal whenever he wished to come and see him. M. Maisky added that he would be returning to Russia on leave in August.

10. It may be of interest to record that, at one point in the conversation, when M. Maisky remarked that there were at present no questions of any difficulty between the two countries, and Sir R. Vansittart replied that the Lena Goldfields question would always constitute a sore unless it was

satisfactorily treated, M. Maisky appeared to intimate that a settlement of this case would shortly be forthcoming.

I am, &c.,  
JOHN SIMON

No. 511

*Minute by Mr. Eden*

[C 5313/247/18]

FOREIGN OFFICE, July 18, 1934

I had a conversation with Mr. Hugh Wilson last night. Mr. Wilson is, as those who have experience of Geneva will know, the best informed and the most level-headed of the United States delegation, and altogether a valuable colleague. The conversation first turned upon M. Barthou's visit here, and Mr. Wilson expressed himself as very much gratified by the turn that events had taken. He thought that His Majesty's Government deserved much credit for broadening the French proposals from what was in truth but a Franco-Russian alliance into a mutual pact of guarantee. He was himself moderately optimistic as to the future. We now had the situation such as he had long desired but latterly hardly hoped to see; namely, both the French and German Governments desiring from separate motives a mutual agreement. France wanted the Eastern pact for its own sake and for the security it would give her; Germany might yet learn to find it useful as a means for gaining practical realisation of equality of rights in armaments.

For all these reasons Mr. Wilson thought that September might well be a critical month at Geneva. In the meanwhile would it not be possible for His Majesty's Government by all means in their power to encourage the German Government to return a constructive reply to our invitation to them to co-operate in the Eastern pact? Could it not, for instance, be hinted to them that they might well reply to the effect that they were prepared to discuss the negotiation of an Eastern pact *pari passu* with discussion of the practical recognition of their equality of rights?<sup>1</sup> This proposal seems to me to have certain attractions. It might, for instance, be possible, if the Germans were willing to be so constructive, to arrange for a meeting at the time of the Geneva Assembly, say at Lausanne, when these negotiations could take place in such a manner as would enable the French and German representatives to meet without a surrender of the positions hitherto taken up by both Governments. It will be recalled that this procedure is similar to that followed in the negotiations which secured Germany's return to the Conference in the autumn of 1932.

A. E.

<sup>1</sup> In view of the agreement reached with M. Barthou (see No. 489) the Foreign Office considered that it would not be possible for His Majesty's Government to make this suggestion to the Germans.

**No. 512**

*Sir E. Phipps (Berlin) to Sir J. Simon (Received July 19, 11.50 a.m.)*

*No. 195 Telegraphic [C 4867/247/18]*

BERLIN, *July 19, 1934, 10.55 a.m.*

I learn on excellent authority that the Chancellor is very hostile to Pact and probably will ultimately reject it although he is in no hurry and has gone to his Bavarian home for some weeks.

Meanwhile he has authorized Minister for Foreign Affairs to publish statement on the subject at an early date should he deem it wise and also to prepare certain questions asking for further explanation in order to gain time. He has instructed Baron von Neurath to ascertain, if possible, reason for Italy's *volte-face*.

Repeated to Rome and Warsaw.<sup>1</sup>

<sup>1</sup> This telegram was repeated to Paris and Moscow by the Foreign Office on July 19.

**No. 513**

*Sir J. Simon to Viscount Chilston (Moscow)*

*No. 76 Telegraphic [C 4882/247/18]*

FOREIGN OFFICE, *July 19, 1934, 12.25 p.m.*

The Soviet Ambassador informed Sir R. Vansittart today that his Government endorsed and accepted the view of His Majesty's Government in the United Kingdom (which had also been accepted by the French Government) that the French guarantee in respect of the proposed Eastern Pact of Mutual Assistance, and the Russian guarantee in respect of the Treaty of Locarno should be twofold, that is also applicable to Germany.

Repeated to Paris, Berlin, Warsaw, Riga, Prague, Rome and Brussels.

**No. 514**

*Mr. Knatchbull-Hugessen (Riga) to Sir J. Simon*

*(Received July 19, 7.15 p.m.)*

*No. 92 Telegraphic [C 4878/247/18]*

RIGA, *July 19, 1934, 6.50 p.m.*

Your telegram No. 55.<sup>1</sup>

I have communicated accordingly with Latvian Government giving them points included in paragraph 6 of your telegram No. 210 to Rome.<sup>2</sup> I have done this privately and confidentially. Copy by bag.

I have also instructed His Majesty's Chargé[s] d'Affaires Kovno and Tallinn

<sup>1</sup> No. 507.

<sup>2</sup> No. 496.

if they are approached by Lithuanian and Estonian Governments with similar requests for information to suggest I should be approached through Lithuanian and Estonian representatives at Riga.

Secretary-General of Latvian Ministry of Foreign Affairs remarked to me that Russian and French Governments both displayed reluctance to communicate a text to the Latvian Government. He anticipated that in last resort it would be communicated to them by German Government.

He defined Latvia's position as follows:

The essential point to them was that there should be no misunderstanding as to true object of Eastern guarantee pact quite distinct from any Franco-Soviet agreement. Latvian Government held that principal object was to arrive at a *détente* in Russo-German relations. On this point they believed initiative had come from Russian side.

Further to this Latvian Government could not admit integrity or independence of Baltic States should in any way become an object of the pact. On the other hand recognizing that without security in Eastern Europe generally Baltic States would not be secure and being interested in maintenance of peace they were whole-heartedly disposed to collaborate in any scheme giving necessary guarantees for this object. They had so informed French and Soviet Governments.

Secretary-General added that interest of Latvia would sink to a minimum if German participation in such a pact were not realised.

Repeated to Berlin, Moscow, Warsaw, Paris and Rome.

#### No. 515

*Sir E. Phipps (Berlin) to Sir J. Simon (Received July 20)*

*No. 171 Saving: Telegraphic [C 4907/247/18]*

BERLIN, July 19, 1934

My telegram No. 195<sup>1</sup> of today.

Somebody who was present at this interview between the Chancellor and the Minister for Foreign Affairs gives me the following additional details regarding their conversation, which took place on July 16.

2. The Chancellor, after carefully studying translations of the two papers which I had, in order to avoid any misunderstanding, left with Baron von Neurath on July 12 (see my telegram No. 166 Saving<sup>2</sup> of July 14), manifested his hostility to the proposed pact on several grounds. It seemed to him to involve seven or eight Powers which, he said, enormously increased the risk of complications such as might involve Germany (for instance why should she be involved in a conflict, say, between Estonia and Latvia?). His main objection was that the new proposals seemed to imply a fresh recognition of Germany's eastern frontiers, including the Polish Corridor. They also threatened to make Germany the cockpit of Europe for the next 200 years.

<sup>1</sup> No. 512.

<sup>2</sup> No. 505.

He failed, he said, to see the necessity for anything more than a series of bilateral pacts such as that between Germany and Poland, or of arbitration treaties, such as that with Czechoslovakia. Besides there was the Kellogg Pact, which did not mention frontiers in contradistinction to the proposed instrument, whereby they would be stabilised for all time.

3. Baron von Neurath, replying to a question of the Chancellor, said that the new pact was bound to weaken the value of Locarno, as France would be a party to both instruments, while Great Britain, being a party only to one, would as time elapsed be less directly concerned.

4. Baron von Neurath could not give any explanation of the *volte-face* of Great Britain or of Italy. Herr Hitler thereupon remarked that Great Britain was betraying Europe: she was recognising the signature of the Bolsheviks at the very moment when Moscow was stirring up trouble from Amsterdam to San Francisco. He talked in this strain for some time and asked how it was that after Mr. Eden's recent speech<sup>3</sup> His Majesty's Government could change their views so suddenly.

5. In reply to a further question, Baron von Neurath said that the rejection of the pact would probably mean the signature of a Franco-Russian alliance. Herr Hitler replied that this did not worry him as such an alliance was in any case inevitable. The proposed pact, he continued, did not even promise equality or 'Gleichberechtigung'. To this Baron von Neurath agreed and quoted M. Barthou's speech of July 15<sup>4</sup> in which he denied any connexion between the pact and 'Gleichberechtigung'. This, said Hitler, was only what he had expected.

6. An instrument of this importance, the Chancellor continued, could not be treated hastily. Germany could not lightly sign an agreement which allowed foreign troops to pass through her territory for years to come. The Reichswehr would have to be in a position to guarantee him the safety of Germany in such an event.

7. Finally he declared that unless Baron von Neurath could eventually produce very strong reasons to the contrary, he would ultimately reject the proposals but would take his time about it.

8. It seems that Hitler during this conversation told Baron von Neurath to ascertain and report to him how far British public opinion supported His Majesty's Government in their pact policy.

<sup>3</sup> See No. 500, note 3.

<sup>4</sup> In a speech at Bayonne on July 15 M. Barthou said that if he had been asked in London to make concessions on disarmament in exchange for the conclusion of an Eastern security pact he would not have attempted any connexion between the two. When the regional pacts were concluded it would be time to see whether a new era had set in which would make it possible to examine the effects of those pacts upon disarmament. Negotiations on disarmament could not be regarded as a condition of the regional pacts.



*Sir J. Simon to Sir E. Phipps (Berlin)**No. 787 [C 4902/247/18]*FOREIGN OFFICE, *July 19, 1934*

Sir,

The German Ambassador saw me for an hour today on the subject of Germany's attitude to the proposed Eastern Pact. Mr. Eden was present at the interview. Herr von Hoesch said that he was not communicating the answer of his Government, adding that it was not clear to what quarter Germany should address her answer, but that he wished to convey some reflections which, I gathered, were not only his personal views, but were in accordance with instructions he had received.

2. He reminded me of our earlier interview on the 12th June (see my despatch No. 638<sup>1</sup> of that date), when he had told me of M. François-Poncet's communication to the German Foreign Office of M. Litvinov's proposals made to M. Barthou, and of the unfavourable impression which these had made upon Germany. Subsequently, M. Litvinov, in passing through Berlin, had himself made a communication to the German Government in general terms on the subject. The Ambassador said that, in the circumstances, the German Government were greatly surprised to receive from us a recommendation in favour of the Eastern Pact, as to which they had already communicated to us their objections, especially as Britain was not proposing to undertake new responsibilities in connexion with it. Herr von Hoesch developed the objections entertained by Germany along the following lines:—

3. He said that, while his Government favoured consultation between States with a view to promoting peace, and had declared themselves ready to enter into pacts of non-aggression, the new combination into which they were invited to enter was open to strong objection. It was really an attempt to secure that France and Russia would, between them, control the destinies of the continent. The proposal that Russia should guarantee the Locarno Pact was, in his opinion, astonishing. What would Sir Austen Chamberlain or M. Briand have said if such a proposal had been made in 1927 [*sic*], when Locarno was being negotiated? The only reason why the Russian guarantee now commended itself to those who urged it was that Russia had become anti-German. He thought all this was most unfair to Germany. Suppose that France attacked Germany; then, under the proposed arrangement, Red Russia was to come to Germany's assistance, and Russian troops would be offering to advance to the Rhine. Suppose, on the other hand, that Russia attacked Germany; then French troops were to march across German soil in a supposed effort to protect Germany. Germany, said the Ambassador, did not desire such assistance in such circumstances, and would be much safer without it. Herr von Hoesch argued further that the scheme was open

<sup>1</sup> No. 450.

to the objection that action, in the case of aggression, was to be taken immediately, which meant that France and Russia would decide for themselves, and there would be no impartial examination of the position such as the Locarno Treaty contemplated. Germany was to be asked to pledge her military help in a wide range of cases in various parts of Europe, though Germany had no such military resources as would enable the promise to be fulfilled. In the original Locarno Treaty this was recognised by a reserve which recognised that Germany could not fulfil all the obligations of Article 16. Herr von Hoesch also referred to the suggestion that the new pact would bring about a new effort at agreement on equality of rights. He quoted M. Barthou's language in his recent speech at Bayonne, when the French Foreign Minister declared that, if anybody proposed the use of the Eastern Pact as a means of bargaining ('marchander') about German rearmament, the French answer was 'No'. This, he said, was most unsatisfactory, and contrasted sharply with Italy's understanding of the matter. Indeed, Italy had been led to change her view, and express a certain approval of the revised plan because it was to be accompanied by agreement with Germany on the subject of German rearmament.

4. When the Ambassador had finished his elaborate analysis and list of objections, I replied at some length. I set aside minor points such as the method of ascertaining who was the aggressor and the fulfilment of Article 16, observing that if the broad principles of the proposed Eastern Pact were approved, these lesser matters were proper for negotiation and capable of adjustment. The main point at present was as to the general nature of the scheme. Here it seemed to me that the German Government were treating the plan, which we had recommended for Germany's favourable consideration, as though it was the same plan as had at first been proposed by Russia and France. This was not so; we were opposed to the creation in Europe of selective alliances which were directed against, or would in practice operate against, other States. I had made this very plain to M. Barthou and very plain in my House of Commons speech last Friday.<sup>2</sup> Germany, I thought, ought to recognise the essential difference between a reciprocal pact, from which she gained protection while at the same time contributing support, and a Franco-Russian alliance based on principles to which we, no less than Germany, took exception, and, I added, this was a distinction which could not be dismissed as a figment of my own imagination, for the difference was so profound that, whereas Italy had been opposed to the Franco-Russian suggestions, she had now pronounced herself as being in favour of them. It was perfectly plain, therefore, that the change was genuine and substantial.

5. In the next place, as to Germany's astonishment that we had intervened to make recommendations in the matter, there was no legitimate occasion for surprise. We were vitally interested in the preservation of peace in Europe and the development of a sense of general security. We thought that the Eastern Pact proposal, in its revised form, contained useful possibilities, and

<sup>2</sup> July 13. See No. 493, note 4.

we were bound to make our view known. We proceeded upon the assumption that Germany, like other States involved, repudiated all idea of aggression against her neighbours (the Ambassador here intervened to say that this assumption was correct), and, this being so, we did not see why a regional pact, with Germany as a member, which affirmed this principle and contributed mutual support to preserve it, should rouse such strong objections. We respectfully urged the German Government to look at the matter from this point of view.

6. Further, statesmen had to ask themselves what might be the alternative to the establishment of this new pact. I was not, of course, speaking of a possible alternative in the language of menace (this the Ambassador readily acknowledged), but was taking leave to point out what might happen. Germany had the strongest objection to a Franco-Russian alliance. Such an alliance was also quite contrary to our conception of the best way of developing European relations. But if this effort for an Eastern Pact failed, would this not make a Franco-Russian alliance all the more likely? I felt that Germany should ponder over this alternative very carefully before deciding. Moreover, if, after negotiation and adjustment of details, Germany entered into the pact and it came into force, I acknowledged that Germany would have some right to complain to us if, as the Ambassador had hinted, the pact was misused for the purpose of German encirclement. Germany could then, with some show of reason, say that we had urged upon her the arrangement and had a certain moral responsibility in trying to secure that it worked fairly. But if the suggestion was rejected by Germany and a Franco-Russian treaty resulted, Germany would have no such moral claim upon us.

7. The Ambassador listened attentively to all this, but said in reply that, in his opinion, an open alliance between France and Russia would be preferable to the pretence, involved in the scheme, that no such relationship was created. I asked him to urge upon his Government that they should think over carefully the matters which I had urged upon him, and, in the meantime, confirm that what the Ambassador had said did not constitute the communication of Germany's answer, so that her final decision of this remained to be received.<sup>3</sup>

I am, &c.,  
JOHN SIMON

<sup>3</sup> The substance of this despatch was telegraphed to Rome, Moscow, and Warsaw on July 21.

*Sir E. Drummond (Rome) to Sir J. Simon (Received July 24)*

*No. 638 [C 4982/247/18]*

ROME, July 19, 1934

Sir,

I have the honour to inform you that I have had long conversations with both my French and Polish colleagues this week. On both occasions the principal topic discussed was the Eastern Mutual Guarantee Pact.

2. Count de Chambrun came to see me on the 17th July, and, speaking of the prospects of the pact, I remarked to him that, from the information I had received, it almost seemed as if Poland was likely to be more recalcitrant than Germany. He replied that he had understood the same thing from a conversation he had had with Signor Mussolini. His own personal theory was that Poland had ambitions in the direction of the Baltic States, which had played such a prominent part in supplying the ruling element in Tsarist Russia, and it was for this reason that Poland was not at present anxious to conclude the proposed pact. I replied that all sorts of guesses were possible. Another one had been put forward, namely, that Poland and Germany had some sort of secret arrangement directed against Russia if and when the latter were at war with Japan. But all this was pure surmise.

3. The Ambassador stated that he had found Signor Mussolini in a most friendly mood. The Duce had told him that he believed that Germany might ultimately agree to the proposed pact, and, in addition, be prepared to come back to Geneva. Otherwise, she would find herself completely isolated. Count de Chambrun had taken this opportunity to say to Signor Mussolini that there were two points in the Italian communiqué published here with regard to which he was not altogether happy. The first was that the original ideas put forward by M. Barthou had undergone a complete change in London. This point, which had been emphasised by the Italian press, could only have a harmful effect in France. Secondly, the reference to German equality of rights: on this latter point he asked Signor Mussolini to be most prudent. He quoted M. Barthou's statement to him, which he had repeated to Signor Mussolini, namely, that France could not agree to equality of rights being made a condition of the signature of the pact, but that, if the pact were signed, it would have consequences as regards equality of rights which M. Barthou would not attempt to avoid ('éluder'). Signor Mussolini had assured the Ambassador that his recommendation to prudence would not be forgotten.

4. The Ambassador, who seems to be peculiarly strong on modern European history, told Signor Mussolini that he had never believed that Italy would be opposed to such a pact, since Italian statesmen for more than a century had all been in favour of—indeed, had been artisans of—proposals for such pacts. Apparently, before going to Paris some three weeks ago, he enquired of Signor Suvich whether he could take it for granted that Italy would not formally commit herself to oppose the proposed pact. Signor

Suvich had replied that the Government would not take up an attitude of opposition for the time being, but the Ambassador had noticed that this assurance, although fulfilled governmentally, had not applied to the press.

5. Count de Chambrun stated that he was fairly convinced that M. Barthou would come to Rome in October. Such a visit was necessary after M. Barthou's journeys to so many other capitals. The Ambassador himself is returning to Rome about the 15th August in order to prepare as far as possible the ground for the October visit.

6. The next day, the 18th July, I received a visit from the Polish Ambassador, and we started discussing at once the prospects of the new pact; M. Wysocki said that he had been very much struck by the change in the attitude of the Italian Government and in the Italian press, before and after my conversation with Signor Mussolini on the 12th July. He had seen Signor Suvich only a day or two before that interview, and the latter had told him that the Italian Government were opposed to any new pacts, and they believed that the visit of M. Barthou to London would not produce any useful effects. This statement did not only apply to an Eastern Pact, but also to a Mediterranean one. If the Italian Government wished for a pact with Yugoslavia, they would conclude an agreement direct, and not under the auspices of France. The Ambassador therefore enquired whether I could give him some account of what had passed between Signor Mussolini and myself, since obviously our conversation had completely altered the situation.

7. I explained to M. Wysocki the general sense of my talk with the Duce, telling him that I had prepared the situation by a short memorandum, which I left with Signor Suvich, setting out the arguments in favour of the proposed Eastern Mutual Guarantee Pact. I laid special stress on the words used by you in the House of Commons with regard to Italy's attitude, as I said that this represented the exact text agreed upon between Signor Mussolini and myself. The Ambassador noted, in particular, the two points—namely, complete reciprocity among all the States concerned and implicit recognition of German equality of rights.

8. After this the conversation took a more general turn, and I said to the Ambassador that I was somewhat surprised to find that the Polish Government did not seem to welcome the pact. This attitude was giving rise to all sorts of rumours, such as that Poland had designs on the independence of the Baltic States, and that perhaps there was some secret agreement between Poland and Germany directed against Russia. On the first of these, the Ambassador stated that, as I knew from past experience, Poland's attitude towards the Baltic States had always been friendly and in favour of their entire independence. Polish relations with Estonia are excellent, and recently had much improved with Latvia. As regards Lithuania, serious negotiations were in progress, and he hoped for good results. He had not had any very definite information from his Government on the whole subject, because Colonel Beck had been ill, and was now proceeding to Tallinn. It had been Poland who previously had made suggestions for guaranteeing

the independence of the Baltic States. These proposals had been opposed by Russia and by Germany. To be absolutely frank with me, he thought that the real difficulty was that Poland had been hurt ('froissée') by the precipitancy with which the French had acted, without previous consultation with Polish statesmen. He explained that Polish policy had been directed towards an agreement with Germany, which had been obtained, and then towards friendship with the Baltic States and with Finland. Quite suddenly they had been requested, and almost ordered, to change this policy and to conclude a new pact. He did not think that his Government could be said to be opposed to the pact, but its terms would require considerable elucidation and consideration. For instance, the question arose whether Roumania, with whom Poland had a special alliance, should not be included among the countries concerned. As to the idea that any special or secret agreement existed between Germany and Poland, this was an entire invention. He could give me the most absolute assurance. In fact, he said that he would wager his head that no such arrangement had been made. The relations between Poland and Germany were of a purely practical character, and there was nothing beyond this. I said that, while understanding the Polish point of view, I could not help feeling that Poland could have nothing to lose by the signature of such a pact and everything to gain, since she surely must be anxious, in the same way as were my own country and Italy, for a general pacification of Europe. It was for the advantage of us all, and particularly those who were signatories of the Locarno Pact, that the tension between France and Germany should cease, and the conclusion of the proposed pact would surely greatly help towards this end. The Ambassador replied that of course Poland was anxious to have a peaceful Europe, but he again repeated that the pact was only in embryo, and much remained to be filled in. We should not, therefore, expect any immediate decisions, even in principle, from Poland on the subject.

9. I have sent copies of this despatch to His Majesty's representatives at Paris and Warsaw.

I have, &c.,  
ERIC DRUMMOND

### No. 518

*Sir J. Simon to Sir E. Drummond (Rome)*

*No. 230 Telegraphic [C 4867/247/18]*

FOREIGN OFFICE, *July 21, 1934, 3.10 p.m.*

Berlin telegram No. 195.<sup>1</sup>

It looks as though German Government will try to persuade Italian Government to abandon their approval of the Eastern Pact. In these circumstances it will be advisable that you should keep in close touch with Signor Mussolini on the subject so as to be at hand to counteract these efforts.

<sup>1</sup> No. 512.

*Sir W. Erskine (Warsaw) to Sir J. Simon (Received July 25)*

No. 319 [C 5055/247/18]

WARSAW, July 21, 1934

Sir,

I have the honour to transmit herewith a memorandum which the Military Attaché to this Embassy has prepared at my request regarding the attitude of the Polish Government towards the Disarmament Conference and regarding Polish military policy in its bearing on the proposed Eastern Guarantee Pact.

2. While I am in general agreement with Colonel Connal Rowan's views, I rather hesitate to endorse his opinion that the rearmament of Germany, which acceptance by her of the pact would entail, would not influence Poland's decision. The French Ambassador told me a few days ago that he believed that one of the objections of the Polish Government to the pact was the fear that, on the pretext of the heavy liabilities which it would involve, Germany would, if she accepted the pact, demand a much greater measure of rearmament than she had hitherto asked for. M. Beck has not mentioned this point to me, and I do not think that too much importance should be attached to it, but I gather that he has done so to M. Laroche.

3. I would draw special attention to Colonel Connal Rowan's observations as to the extreme aversion with which, in his opinion, the Poles would regard the idea of the possible entry into Polish territory of either German or Russian troops in fulfilment of the obligations imposed by the pact. While I feel that all the considerations referred to in my despatch No. 298<sup>1</sup> of the 3rd July, and in my telegrams Nos. 36<sup>2</sup> and 37<sup>3</sup> of the 6th and 13th July, respectively, play a part in indisposing the Polish Government towards the pact, I am inclined to think that this last objection, based as it is on bitter memories of the past, is the one which weighs most in the scale.

I have, &c.,

WILLIAM ERSKINE

<sup>1</sup> No. 479.

<sup>2</sup> No. 484.

<sup>3</sup> No. 503.

ENCLOSURE IN No. 519

*Memorandum regarding the Attitude of the Polish Government towards the Disarmament Conference, and regarding Polish Military Policy in its bearing on the proposed Eastern Guarantee Pact*

WARSAW, July 21, 1934

The attitude of the Polish Government towards the Disarmament Conference has, in my opinion, always been indecisive. The Polish representatives have failed to produce any substantial scheme of their own, although their criticism, generally lacking in constructive value, has caused at times

considerable delay. The MacDonald proposals of January last may be said to have obtained a favourable reception in Warsaw. It was satisfactory to Polish vanity that Poland was classified, in so far as effectives were concerned, with the Great European Powers. The suggestions for armoured vehicles and tanks were acceptable to Poland, as she possessed no engines of war of greater capacity than those indicated. Less acceptable, however, were the proposals re the calibre of land guns. Poland would undoubtedly have offered strong opposition to being asked to sacrifice her 155-mm. guns, which are the most successful of Polish home-made munitions, for the 115-mm. guns suggested. But, in regard to this point, and likewise to that concerning the limitation of aviation, which seemed more than any other proposal to present the greatest obstacle, Poland refrained from pronouncing any decided opposition when the memorandum was first produced. I am of opinion that, foreseeing the struggle that was bound to arise as a result of the proposals and the objections that would be raised by the other nations in connexion with the points that were most distasteful to her, Poland preferred to hold her hand, prepared to accept any advantage that came her way as a result of the discussions, and that only when proposals which jeopardised her military policy were apparently on the way to being accepted by the Conference would she have come out into the open with her objections.

Her policy has clearly succeeded, for, except for limitations imposed by economy, nothing has so far occurred which has prevented the Polish General Staff going steadily forward with their military policy. The comparative breakdown of discussions since April has in no way influenced Polish military policy, which remains as heretofore, namely, the maintenance of as large and efficient an army as her finances permit. It may be said that, by this policy, Poland has failed to show any great interest in Geneva and the Disarmament Conference. I doubt whether she has ever had any great confidence in the results, and so long as the work of the Conference in no way ran contrary to her policy she was prepared to be sympathetic; but I do not think she will have many regrets in the failure of the Conference, and more so as none of the responsibility can be attributed to the policy of Warsaw.

2. The military party of Poland has had for many years to consider three major wars, that is, against either Germany or Russia singly, or these two in alliance together. In the last case, unless almost the entire German effort was neutralised by French action, leaving Poland free to deal with Russia, the very existence of Poland would be in the highest degree precarious. In the event of a war with Germany alone, Russia being neutral, although the terms of the Franco-Polish<sup>1</sup> Convention are not known, it is assumed that Poland might expect assistance from France under any circumstances, and certainly if Germany was the aggressor. In the event of a war with Russia, it is likewise expected that France would give Poland whatever assistance she could by sending munitions, &c., while at the same time she would take any measures she considered necessary to neutralise any German action against Poland.

<sup>1</sup> The word 'Military' is here added in pencil on the file copy of this memorandum.



To strengthen her military position, Poland has recently concluded non-aggression pacts to ensure the neutrality of her two most dangerous neighbours. It can be urged that Poland may be somewhat sceptical with regard to the value of certain signatures, but still I am of the opinion that at the present moment the policy of the Polish General Staff is not to seek further guarantees of safety. Agreements as favourable as possible have been made with her two chief potential enemies, and if the Franco-Polish<sup>2</sup> Convention is again to be renewed, as seems possible, such a document would seem to place Poland in as favourable a position as she can expect.

The Eastern Pact of Mutual Guarantee, however popular it may be in other capitals, may present certain advantages to Poland; but it also presents to my mind very serious disadvantages. I feel sure that Poland would prefer her present position than being more or less obliged against her will to enter into some agreement which would put her in the awkward position of having Germany or Russia as an ally in the event of her having to go to war with one or other of these two nations. The idea of either of these countries being in a position to offer to send an army to the assistance of Poland on Polish soil for the defence of Poland would be repellent to every Pole. This is the last resource that the Pole would care to consider, even if the offer of such an army was made in all sincerity, and even if the difficulties presented by the rationing and transport of that army could be overcome. There would seem to be few circumstances which could be the cause of more suspicion and eventual trouble than for a German army to enter Poland from the west or a Russian army from the east for the defence of Poland.

Regarding the responsibilities to smaller nations included in the proposed pact, I do not think that Poland would care to have her hands tied. It has always been her policy to avoid commitments, and nowhere is this policy better exemplified than in Poland's military relations with Czechoslovakia. It is about two years since there were signs of a closer co-operation between the Polish and Czech General Staffs. Numerous officers representing both armies visited Warsaw and Prague, but it seems certain that, although the plans for every eventuality were undoubtedly considered, in spite of the efforts of the authorities in Prague Marshal Pilsudski avoided giving any written assurance or guarantee to come to the assistance of Czechoslovakia in the event of German aggression. Poland had, in fact, worked herself into the position of giving away nothing and yet being able in threatening circumstances to cause Czechoslovakia to accept her policy.

Towards the Baltic States it would appear that Poland is equally unwilling to commit herself, although, at the same time, anxious to play a paternal role in the affairs of these smaller States.

At present Poland is under no obligation either to Czechoslovakia or to the Baltic States. By the new pact Poland might be faced with being obliged by treaty to go to the assistance of Czechoslovakia, a people whom, especially from a military point of view, she greatly dislikes and despises. Such national antipathy does not exist towards the Baltic States, but it would be contrary

<sup>2</sup> The word 'Military' is here added in pencil on the file copy of this memorandum.

to her former policy for Poland to commit herself to taking definite action if Czechoslovakia was attacked by Germany or the Baltic States by Russia. Any such action would be very unpopular in Poland. The Poles have made great sacrifices to keep up their army, of which they are justly proud; but the spirit of that army has been created with the idea of defending Poland, and, although the Pole would be prepared to go to any length to defend his country against Germany or Russia, I am not sure whether it would be more unpopular for the army to feel that they might be forced to have a German or Russian army fighting alongside them on Polish soil, or to feel that at any moment they were bound to run to the assistance of Czechoslovakia or the Baltic States if they were attacked by Germany or Russia respectively.

3. The Polish attitude towards the rearming of Germany would appear to me to follow the same pattern as that adopted towards the disarmament question. Poland is probably as well aware as anyone of the state of German preparedness, and at the same time, although under no illusions as to the future, she is at the present moment confident in her own strength, and, if backed by the French convention, her position for presumably a considerable period would be secure. At the same time, she is doing all she can by pacts of non-aggression to strengthen her position. She had made no gesture of disapproval of the German efforts to rearm, and is content to hold her hand, trusting to the action of other nations who are more disturbed by these events to bring the question forward at some future date. The fact that the acceptance of the pact on her part would involve her agreeing to a certain measure of German rearmament does not seem likely to influence her decision one way or another. It is on other grounds that she dislikes the pact, as it would tie her hands without seeming to give her any commensurate advantages, and I feel sure that she would prefer, in the event of war, to tackle the situation as it is at present. She has done all she can to ensure a neutral neighbour in her rear in the event of war in the east or west, while her position is further strengthened by the thought that she can count on France controlling the action of Germany if the latter should remain neutral, and taking an active part in the event of Germany becoming Poland's opponent.

G. F. CONNAL ROWAN,  
Lt.-Colonel, G. S., *Military Attaché*.

*Sir W. Erskine (Warsaw) to Sir J. Simon (Received July 23, 9.30 a.m.)*

*No. 41 Telegraphic [C 4914/247/18]*

WARSAW, July 23, 1934, 2.10 a.m.

Your telegram No. 49.<sup>1</sup>

My French colleague left for Paris yesterday<sup>2</sup> morning but from my various conversations with him I gathered that his impressions were similar to mine except that he believed, as result of my communication,<sup>3</sup> fear that pact would result in immediate permission to Germany to rearm had been added to M. Beck's other objections.

As M. Beck had not mentioned this point to me and as Polish Government have not so far shown any signs of serious concern at prospect of German rearmament I did not attach importance to it believing—as I still do—that it was merely a specious argument which he used as likely to appeal to the French Government or at most that it was a minor objection.

French Chargé d'Affaires whom I have just seen tells me that when M. Laroche called on M. Beck to make his communication latter at once exclaimed 'so you have decided to consent to Germany's immediate rearmament'. M. Laroche assured him that he must have misunderstood my communication. All that M. Barthou had agreed was to inform the interested parties that he considered conclusion of pact would be best means of facilitating resumption of negotiations regarding armaments. French Ambassador had added that the latter question would be dealt with separately and—so I gather—after question of pact had been disposed of.

As I read formula regarding question of armaments twice to Minister for Foreign Affairs and he repeated its substance to me correctly I can only believe that in speaking to French Ambassador he deliberately misinterpreted my communication in the hope of creating further difficulties. I do not know exact terms of French Ambassador's communication but French Chargé d'Affaires assured me that his instructions accorded with mine. I do not think that Minister for Foreign Affairs can have alleged any other point of discrepancy.

French Chargé d'Affaires informed me that in conversation which French Ambassador had with Minister for Foreign Affairs just before his departure for Paris latter raised further objection that Polish public opinion would disapprove so complicated a scheme.

<sup>1</sup> Not printed. This telegram of July 21 instructed Sir W. Erskine to ascertain M. Laroche's impression of the Polish Government's attitude.

<sup>2</sup> This telegram was drafted on July 22.

<sup>3</sup> See No. 503.

**No. 521**

*Sir J. Simon to Mr. Knatchbull-Hugessen (Riga)*

*No. 60 Telegraphic [C 4878/247/18]*

FOREIGN OFFICE, *July 23, 1934, 5.55 p.m.*

Your telegram No. 92.<sup>1</sup>

You should know that general outline of French proposals set out in my telegram No. 209 to Rome<sup>2</sup> was supplied by French Ambassador here because it was necessary that we should see some written account of these proposals before deciding whether or not to recommend them in Warsaw and Berlin.

This general outline was communicated by His Majesty's Ambassador Berlin to German Minister for Foreign Affairs with an explanation that we refused to agree to this text and that it had since been modified in manner explained in paragraph 6 of my telegram No. 210 to Rome.<sup>3</sup>

There is some reason to suspect that the German Government may be representing to other Governments interested that the Eastern Pact which His Majesty's Government are prepared to recommend is the plan originally propounded by Russia and France contained in my telegram No. 209. As stated above, this is not so. On the contrary, His Majesty's Government refused to support this plan and insisted that their approval could only be given to a revised scheme providing effectively for mutuality in the assistance given and recognising that the new agreement would provide the opportunity for further negotiations on the subject of agreed armaments.

Repeated to Paris, Berlin, Moscow, Rome, Warsaw, Helsingfors and Prague.

<sup>1</sup> No. 514.

<sup>2</sup> No. 492.

<sup>3</sup> No. 496.

**No. 522**

*Sir J. Simon to Sir G. Clerk (Paris)*

*No. 111 Telegraphic [C 4878/247/18]*

FOREIGN OFFICE, *July 23, 1934, 9.30 p.m.*

It appears from reports of His Majesty's Representatives at certain capitals concerned that there is still considerable doubt respecting precise nature of Franco-Russian scheme for an Eastern Pact of Mutual Guarantee.

In order to remove all uncertainty and to prevent misrepresentation, I think that French Government would be well advised to give the various Governments a more detailed account of the scheme as modified by the agreement reached in London on July 9 and 10.

Please make representations accordingly and report result.

Repeated to Moscow, Berlin, Rome, Warsaw, Riga, Prague and Helsingfors.

No. 523

*Mr. Murray (Rome) to Sir J. Simon (Received July 24, 9.30 a.m.)*

*No. 211 Telegraphic [C 5003/247/18]*

ROME, July 23, 1934, 11.45 p.m.

Your telegram No. 230.<sup>1</sup>

Baron Aloisi told me today that he had spoken very frankly on July 20 to German Ambassador whom he had seen after the latter's interview with Signor Mussolini. Head of Government had not recorded conversation but Baron Aloisi felt no doubt that he had been equally frank. German Ambassador had asked Baron Aloisi what he really thought of British manoeuvre in recommending acceptance of the proposed Eastern Pact of Mutual Assistance and how Italy had come to associate herself with this course. Baron Aloisi had replied that in his view action of His Majesty's Government had been both skilful and timely. Skilful because but for it we should have been confronted with a Franco-Russian alliance and creation of those very *blocs* which Italian policy was most anxious to avoid: timely because it made possible a renewed attempt to find a solution for disarmament problem before it was too late. He pointed out to the German Ambassador that in regard to equality of rights the French always insisted that could only be accorded in a system of security for all. If Eastern Pact of Mutual Assistance as modified during the London discussions were now accepted Germany would be able to come to Geneva and claim with reason that the French condition having been fulfilled the promise made to her should in turn be implemented.

Baron Aloisi foresaw German opposition to pact would not be overcome without difficulty and delay. From reports which he had just received from Warsaw he was disposed to think Polish resistance would be no less obdurate than German and that Poles would stand out until Germany showed definite signs of an intention to come into line.

He expressed great gratification at complete identity of aims and views of His Majesty's Government and Italian Government in this problem and promised to keep in close touch with me in regard to future developments.

Repeated to Paris, Berlin and Warsaw.<sup>2</sup>

<sup>1</sup> No. 518.

<sup>2</sup> This telegram was repeated to Moscow by the Foreign Office on July 24.

No. 524

*Mr. Hadow (Vienna) to Sir J. Simon (Received July 25, 2.55 p.m.)*

*No. 86 Telegraphic: by telephone [R 4120/37/3]*

VIENNA, July 25, 1934

Soon after midday today Radio Station, Vienna, announced that Dollfuss had resigned and apparently that Rintelen would take his place.

Telephonic communication with Ministry of Foreign Affairs is blocked and ministries occupied by Heimwehr or troops but reliable journalists state that Radio Station was rushed by Nazis and news sent out before Station could be re-occupied by troops. Similar attempt to seize Federal Chancery during Council of Ministers was unsuccessful; ten dead. Main approaches to Vienna blocked by troops.

Outwardly all is calm and 'putsch' has seemingly failed.

**No. 525**

*Mr. Hadow (Vienna) to Sir J. Simon (Received July 25, 9.0 p.m.)*

*No. 87 Telegraphic: by telephone [R 4122/37/3]*

VIENNA, July 25, 1934

In *coup de main* on the Federal Chancery Nazis succeeded in making prisoner the Chancellor, Fey and Karwinsky who are still guarded in the Ministry by rebels, the Ministry being surrounded by Heimwehr with machine guns. Vice-Chancellor Starhemberg is due back tonight. Rintelen left yesterday for Graz. The other members of the Cabinet held a meeting in the Ministry for War at the end of which the Minister for Justice informed me (at 5 p.m.) that he hoped soon to liberate all three prisoners. Reliable information connected with Italian Legation maintains, however, that the Chancellor is wounded and that as a condition of release of himself and his Cabinet Ministers he has agreed to resign. The Army is believed to have remained faithful but there is some mystery as to identity of the men who carried out the *coup de main* on Ministry of Foreign Affairs, who apparently wore military uniform.

The Chief of the Tyrol Police was shot dead at Innsbruck but situation there is reported by His Majesty's Consul to be quiet and Italian Consul at Klagenfurt says the same of his post. The rebels seem to be isolated and may therefore lose heart. Otherwise the outcome seems now to centre about terms on which Chancellor's freedom can be obtained and whether or not he will be forced by wounds or by other reasons to resign.

**No. 526**

*Mr. Hadow (Vienna) to Sir J. Simon (Received July 25, 10.20 p.m.)*

*No. 88 Telegraphic: by telephone [R 4123/37/3]*

VIENNA, July 25, 1934

My telegram No. 87.<sup>1</sup>

Rebel band holding Ministry of Foreign Affairs, who consisted of soldiers and officers dismissed or superannuated from Austrian army, and who are

<sup>1</sup> No. 525.

alleged by both sides to have been independent of Nazis, surrendered this evening.

Through Fey and German Legation safe conduct for insurgents was arranged as far as German border as condition of surrender; but negotiations are proceeding for ensuring their safe passage if possible.

Fey and Karwinsky are free but I greatly regret to report Chancellor died of wounds received when building was first seized.

President has appointed Schuschnigg head of Government until return of Starhemberg.

Vienna is strongly held by army and Heimwehr but both capital and provinces are still apparently entirely quiet.

Political developments resulting from death of Dollfuss are still uncertain. Attitude of Rintelen (who is in Vienna and alleged to have been placed under guard) is not clear but Government gives impression of facing the situation resolutely.

**No. 527**

*Mr. Newton (Berlin) to Sir J. Simon (Received July 27)*

*No. 881 [C 5120/29/18]*

BERLIN, July 25, 1934

Sir,

I have the honour to report to you various features of the reorganisation of the Nazi party which has been going on during the last three weeks.

2. The work of reorganising the S.A. groups in Berlin, Brandenburg, Pomerania and Silesia, which was entrusted to General Daluge after the 30th June, has now apparently been completed, for new Obergruppenführer have been appointed in the place of Ernst, Heines and Heydebreck, and General Daluge has been publicly thanked by the S.A. Chief of Staff for the manner in which he carried out the task entrusted to him by the Führer. In Pomerania a new head of the civilian organisation of the party (Gauleiter) had also been appointed in the place of Herr Karpenstein, who was removed from his post, as was publicly explained, for repeated acts of disobedience. Similar measures of reorganisation are no doubt being carried through in other parts of the country.

3. The 'clean-up' has also, it seems, involved a certain increase in centralisation. For instance, the S.A. commissioners appointed last winter to control the local administrative officials are being withdrawn; Dr. Ley, the leader of the Workers' Front, has at last, after many months of stubborn resistance, been compelled to surrender the treasury of his organisation to the control of the party. The sum involved has been calculated at round about 1 milliard marks—a figure made possible by the steady flow of contributions from the German workman, undiminished by any outgoings of importance now that strike pay is a thing of the past. Another small indication is the removal of the personal secretariat of the new S.A. Chief of Staff from Munich to

the Wilhelmstrasse. Similarly, Herr Baldur von Schirach, although still in control of the Hitler Youth, has been obliged to surrender to Herr Hess the leadership of the Students' League, which was entrusted to him some weeks ago. He, too, has lost a right-hand man in the person of Herr Staebel, hitherto head of the Students' Corporation. Herr Staebel was responsible for the campaign against the Students' Corps, and has now been superseded by a more moderate man.

I have, &c.,  
B. C. NEWTON

**No. 528**

*Mr. Hadow (Vienna) to Sir J. Simon (Received July 26, 10.30 a.m.)*

*No. 89 Telegraphic: by telephone [R 4127/37/3]*

VIENNA, July 26, 1934

Following is gist of official version of events of yesterday given verbally to Diplomatic Corps last night by Ministers Schuschnigg and Fey.

[Begins.] Council of Ministers summoned at 11 a.m. was broken off because Fey had received news of massing of men in military and police uniforms in a suburb of Vienna. Schutz Corps were mobilized and Counsellors<sup>1</sup> Fey and Karwinsky were preparing protective measures when five lorry loads (roughly 100 men) in uniform of Deutschmeister regiment drove up, seized Federal Chancery and made the above three Ministers and Secretary and Under-Secretary of State for Foreign Affairs, and roughly 140 civil servants, police detectives and soldiers prisoners. Chancellor was wounded in trying to escape by private staircase, being shot twice at close quarters.

At same time Radio Building in the centre of the town was similarly overwhelmed by twenty uniformed men and official announcer compelled to issue news that Dollfuss had resigned and Rintelen had taken his place as Chancellor. Police were soon able to re-occupy Radio Building though material damage put the station temporarily out of action.

The remainder of Cabinet who had assembled in the Ministry of National Defence received orders from President Miklas who returned to Vienna today to re-occupy the Federal Chancery and not to recognise the insurgents. The latter then forced Fey to act as intermediary. Owing to the necessity of saving the lives of those imprisoned, whom the insurgents threatened with death if the building were attacked, the Cabinet authorised Neustädter-Stürmer<sup>2</sup> to offer insurgents safe-conduct to German border which they had requested 'provided the three Cabinet Ministers were handed over unharmed'. Offer was made publicly at 6 p.m., Neustädter-Stürmer standing in the street below and Fey guarded by two insurgents with revolvers on

<sup>1</sup> A later text here read: 'and Chancellor, Fey . . . '.

<sup>2</sup> Baron O. Neustädter-Stürmer was Austrian Minister of Social Welfare and Corporations.



balcony of building above. Insurgents asked German Minister by telephone to witness agreement and demanded an escort of regular troops to the border. They also asked to be allowed to enter Germany and become German citizens.

Negotiations then took place between German Minister, Fey and Neustädter-Stürmer and also privately between Doctor Rieth and insurgents in the building. As a result prisoners were released about 7 p.m. and insurgents, having laid down their arms, were taken under heavy escort to barracks in Vienna where they still are. Chancellor, who saw Fey about 2 p.m. and asked that no blood should be shed, had unfortunately breathed his last about 6 p.m., not having had the services of a doctor.

In reply to a question as to validity of guarantee of safe conduct now that Chancellor had died, Schuschnigg replied that Cabinet were still debating this point. [Ends.]

I gather that no decision was reached last night and that in certain sections the view is held that Neustädter-Stürmer exceeded his carefully worded instructions from Cabinet; both he and Fey being forced to do so by fear that insurgents would shoot their prisoners if an agreement were not reached before dark. Consequently word given to insurgents is considered to be invalid and strong views are held that at least two or four persons responsible for shooting Chancellor—identity of whom is known—must suffer penalty of their act.

Vienna remains entirely calm, news from provinces is to the same effect, and although the Cabinet under Schuschnigg have proclaimed martial law, everything appears normal today except for Heimwehr guards.

## No. 529

*Mr. Newton (Berlin) to Sir J. Simon (Received July 26, 1.25 p.m.)*

*No. 201 Telegraphic: by telephone [R 4131/37/3]*

BERLIN, July 26, 1934

My telegram No. 200.<sup>1</sup>

It is officially announced this morning that agreements which according to Austrian news agencies have been concluded between the revolutionaries and Austrian Government circles for free passage of the revolutionaries to Germany have no legal validity for the German Government. The German Government have therefore given the order that revolutionaries who cross the frontier are immediately to be arrested. It is also announced that the frontier between Germany and Austria has been closed with the object of preventing [German citizens or Austrian]<sup>2</sup> refugees living in Germany from crossing the frontier during the disturbances.

<sup>1</sup> Not printed. This telegram of July 26 reported the comments of the German press on the assassination of Dr. Dollfuss.

<sup>2</sup> These four words were on the confirmatory copy of this telegram received later by bag.

A further communiqué this morning states that as the German Minister in Vienna, Rieth, had at the request of Austrian Government circles or Austrian revolutionaries expressed himself ready to agree without consulting his Government to an arrangement for the free removal of revolutionaries from Austria and<sup>3</sup> Germany, he has been immediately recalled from his post.

It is stated that in view of the tragic events in Austria the Chancellor has abandoned his attendance at the Wagner Festival in Bayreuth. Further it is announced that the Minister for Foreign Affairs has telegraphed the sympathy of the German Government at the death of Dr. Dollfuss to the Austrian Government.

In the summary of events officially published and broadcast yesterday evening it was stated that as regards the origin of the rising the Austrian people appeared to have been roused to state of intense feeling by the fact that the Nazis brought before the summary court had been tortured in a medieval manner in order to extort admissions or confessions from them.

Repeated to Vienna.

<sup>3</sup> On the confirmatory copy of the telegram this word read 'to'.

#### No. 530

*Sir E. Drummond (Rome) to Sir J. Simon (Received July 26, 2.20 p.m.)*

*No. 215 Telegraphic: by telephone [R 4138/37/3]*

ROME, July 26, 1934

My immediately preceding telegram.<sup>1</sup>

Italian press this morning are unanimous in their condemnation of the murder of the Austrian Chancellor yesterday and openly attribute responsibility to National Socialist Germany. Never in the course of my experience have I known the press here so outspoken and violently anti-German. Last night's broadcast from Munich, in which it was stated that the crime is deplored in Germany, is characterized as impudent and cynical. In leading and clearly inspired article in the 'Messaggero' writer states that in this hour of mourning Italian people stand solid behind the Duce with the Austrian people. Italian journalists observed to me this morning 'this is the end of Italian friendship and support of Germany', and feeling in the Italian Foreign Office is quite as strong as that expressed in the newspapers.

(2) Attitude of official circles is that although the next few weeks in Austria may be free from disturbance, Nazi party in Germany will not relax their efforts to promote 'Anschluss' by any means. Whilst emphasizing the need for coolness they are anxiously considering what action could be taken by the Great Powers to defeat the Nazi aims.

(3) Military Attaché made unofficial enquiries at the Ministry of War this

<sup>1</sup> Not printed. This telegram of July 26 gave the text of a telegram of condolence sent by Signor Mussolini to the Austrian Government.

morning and was told that though no special steps have been taken or are at present contemplated, the Army, as always, was ready for any eventualities. Italian divisions at this time of year were at maximum strength and thirteen divisions in the Alpine Area are now engaged in training exercises.

No. 531

*Sir J. Simon to Mr. Hadow (Vienna)*

*No. 53 Telegraphic [R 4156/37/3]*

FOREIGN OFFICE, July 26, 1934, 8.15 p.m.

Following is text of statement which I made in House of Commons today:—

The tragic events which occurred yesterday in Vienna, have been extensively reported in today's press. I have also received the official version of the events of yesterday, communicated verbally to the Diplomatic Corps in Vienna last night. A summary is as follows:—

It appears that about 11 o'clock yesterday morning a hundred men wearing Austrian army uniform seized the Federal Chancery, and made prisoners of the three Ministers of the Austrian Government who were present, namely the Chancellor, Major Fey and Herr Karwinsky. The Chancellor was shot twice at close quarters. Simultaneously the Radio Headquarters were seized and a broadcast given out to the effect that Dr. Dollfuss had resigned and that Herr Rintelen had taken his place as Chancellor. There was no truth in these statements. Regular troops, who were quickly brought on the scene, recaptured the Radio building and surrounded the Federal Chancery.

Throughout the afternoon negotiations proceeded between the insurgents and the regular forces, Major Fey acting as intermediary. The insurgents requested a safe conduct to the German border and this was promised to them, provided the three Cabinet Ministers were released unharmed. The German Minister at Vienna took part in these negotiations. The insurgents finally evacuated the Federal Chancery about 7 p.m., but about an hour previously the Chancellor had died of his wounds.

I understand that the insurgents are now in custody, the safe conduct promised to them being treated as having lapsed by reason of the death of the Chancellor, and that the identity of those who actually fired on the Chancellor is known.

In spite of the temporary success of the insurgents in seizing the Federal Chancery and the Radio Station, they received no general support from the population either in Vienna or the provinces, where, according to our latest reports, everything is now under control.

I called on the Austrian Minister this morning to express on my own behalf, and on behalf of His Majesty's Government, our horror at this cowardly outrage and our sympathy with Dr. Dollfuss's relations. Baron Franckenstein informed me that he had heard officially from his Government

<sup>1</sup> See Parl. Deb., 5th ser., H. of C., vol. 292, cols. 1942-4.

that Dr. Dollfuss lived for a considerable time after he was shot and was allowed to bleed to death by his assassins, who refused him both medical and spiritual aid.

I may add that the attitude of this country as to the independence and integrity of Austria, in accordance with the relevant treaties, as stated in a declaration which I made on behalf of His Majesty's Government in February last, remains unchanged by these tragic events.

Repeated to Paris and Rome.

#### No. 532

*Sir J. Simon to Mr. Murray (Rome) and Sir G. Clerk (Paris)*

*No. 236<sup>1</sup> Telegraphic [R 4156/37/3]*

FOREIGN OFFICE, July 26, 1934, 9.0 p.m.

My telegram to Vienna No. 53.<sup>2</sup>

Please communicate text of my statement to the Government to which you are accredited drawing particular attention to the last paragraph in which I have reiterated so far as this country is concerned the joint declaration of February 17 last.

Repeated to Vienna.

<sup>1</sup> No. 236 to Rome, No. 115 to Paris.

<sup>2</sup> No. 531.

#### No. 533

*Mr. Murray (Rome) to Sir J. Simon (Received July 27, 9.30 a.m.)*

*No. 216 Telegraphic [R 4147/37/3]*

ROME, July 26, 1934, 11.45 p.m.

My telegram No. 215.<sup>1</sup>

Head of the Government returned to Rome early this afternoon and late editions of evening papers contained the following communiqué.

'At first announcement of assassination of Chancellor Dollfuss, that is to say at 4 p.m. July 25 and in view of possible complications, movements of land and air armed forces were ordered towards Brenner and Carinthia frontier districts.

'These forces are sufficient for dealing with any eventuality.

'However as situation in Austria seems to be returning to normal it may be taken that it will not be necessary to proceed beyond these measures of a precautionary character.'

It will be seen that this announcement hardly tallies with information given to Military Attaché this morning at Ministry of War—see third paragraph of my telegram under reference. On further enquiry this evening it

<sup>1</sup> No. 530.

was admitted that for political motives the most had been made in the communiqué of slight variations in troop movements primarily due to training, such variations being materially designed to fill up gaps. My own impression is that communiqué and all information on the subject of troop movements was held up pending Signor Mussolini's return to Rome.

Repeated to Vienna.

**No. 534**

*Sir G. Clerk (Paris) to Sir J. Simon (Received July 27)*

*No. 213 Saving: Telegraphic [C 5088/247/18]*

PARIS, July 26, 1934

Your telegram No. 111.<sup>1</sup>

I spoke to M. Léger yesterday evening in the sense of your instructions. He told me that the French Government had itself realised that there was a certain confusion in the Baltic capitals as to the true character of the proposed pact which both the German and Polish Governments were seeking to obscure. The French representatives had therefore recently been instructed to give the necessary further elucidation. I asked whether they had been told to explain the proposal in the form in which it had emerged from the London conversations. M. Léger replied in the affirmative. He went on to say that one of the difficulties so far as the Lithuanian Government was concerned was that it feared that Lithuania's participation would adversely affect her position as regards territorial questions with Poland. The French representative had accordingly been instructed to point out that this was not so and that Lithuania could sign without prejudice and could no doubt accompany her signature by a declaration to that effect just as she had done when signing the London Agreement relating to the definition of the aggressor.

2. M. Léger also told me that in order to meet the objection expressed by the German Government that it had seen no text and did not know what it was being asked to sign, the French Ambassador in Berlin had three days ago been instructed to say in the most friendly way that no text existed (only a rough plan) and that the French Government had particularly avoided a text because it hoped that the German Government would come in on an equal footing and collaborate in its preparation if it approved the broad principles as to which it was fully informed.

3. In reply to my question M. Léger stated that no supplementary instructions had been sent to the French representatives in the remaining capitals interested as the Governments concerned knew all there was to know.

4. He then went on to say that the Polish Government was endeavouring to wreck the plan by proposing its extension. In particular it was suggesting at Bucharest that Roumania should not allow herself to be left out in the cold. The Polish Government knew that if Roumania claimed to come in

<sup>1</sup> No. 522.

other Powers would follow suit, that the Pact would thereby lose its regional character and its chances of success would consequently be further diminished. M. Tataresco, when recently in Paris, had fully understood that Roumania would be well advised to advance no claim to participate, but unfortunately M. Titulesco, now in the South of France, was playing up to Colonel Beck.

Repeated to Moscow, Berlin, Rome, Warsaw, Riga, Prague, Helsingfors and Bucharest.

**No. 535**

*Sir G. Clerk (Paris) to Sir J. Simon (Received July 27)*

*No. 214 Saving: Telegraphic [C 5089/247/18]*

PARIS, July 26, 1934

Your telegram No. 1111.<sup>1</sup>

From what M. Léger said to me in reply to a question which I put to him yesterday evening I have no doubt that the French Government will conform to your view as regards any attempt to include a definition of the aggressor in the proposed Oriental Pact.

Repeated to Moscow, Berlin, Rome, Warsaw, Riga, Prague and Helsingfors.

<sup>1</sup> No. 522.

**No. 536**

*Mr. Hadow (Vienna) to Sir J. Simon (Received July 30)*

*No. 145 [R 4241/37/3]*

VIENNA, July 26, 1934

Sir,

About 4 o'clock on the afternoon of the 25th July I learnt from an Italian source in closest touch with the Government that the Chancellor, Major Fey, and Secretary of State Karwinsky were prisoners in the Federal Chancery, and that the Chancellor was reported to have been severely wounded. Major Fey had been seen at the balcony of the building guarded by armed insurgents and heard to shout: 'The Chancellor is hurt and wishes no bloodshed!'

As the officials of the Department for Foreign Affairs were almost all prisoners, I went, in company with my Italian colleague, to the Ministry for War, where the remainder of the Cabinet was in session, and saw Dr. Schuschnigg, acting head of the Government, at 5 p.m. He informed me that the Cabinet had taken its decision, under orders from the President, to liberate their imprisoned colleagues, and gave me to understand that Dr. Dollfuss was wounded. To my question as to whether this liberation would be

effected by negotiation and promise of a safe-conduct to the insurgents or by force, he gave an evasive answer, which clearly indicated—from his insistence upon the dilemma in which the Cabinet had found itself owing to the danger confronting its married colleagues—that negotiation and not force was the weapon to be used.

I then endeavoured to send off my telegram No. 87,<sup>1</sup> but was prevented from so doing until later in the evening by an order forbidding telephonic or telegraphic communication with foreign countries.

At the City Hall, to which the Diplomatic Corps was bidden to receive official news, I was told in confidence, before the insurgents had evacuated the Federal Chancery, that Dr. Dollfuss was believed to be dead.

Moreover, an entirely reliable, neutral friend, who was in the Ministry for War while the Cabinet was deliberating, informed me that the news of Dr. Dollfuss's wounds had been communicated to him by the Minister of Finance before 5 p.m.

It has since been stated that, during the afternoon, a member of the sewer police entered the Federal Chancery by a sewer exit, was shown the body of the Chancellor, and sent back by the way he had come.

At 10.45 p.m. the Diplomatic Corps was summoned to the Ministry for Public Security, and heard from Major Fey and Dr. Schuschnigg the official version of the events of the day, of which a summary—made immediately on my return to this Legation—is contained in my telegram No. 89.<sup>2</sup>

I was particularly struck by the almost shamefaced demeanour of Major Fey and the evasiveness of Dr. Schuschnigg when asked by the Hungarian Chargé d'Affaires whether a safe-conduct, which was understood to have been guaranteed the insurgents, still held good in view of the Chancellor's death. Dr. Schuschnigg replied that he had himself carefully worded the safe-conduct to read 'on condition that the three members of the Cabinet are handed over safe and sound'. When Herr Neustädter-Stürmer had been empowered to negotiate, the Cabinet had not known of Dr. Dollfuss's condition; and this the insurgents had hidden from them when Major Fey had been compelled to act as intermediary with the Government, both by telephone and later with Herr Neustädter-Stürmer. Consequently the Cabinet were still debating whether or not the assurances given by Herr Neustädter-Stürmer, whose instructions were on a written document signed by the Cabinet, were valid.

Major Fey was further at pains to explain that he and all the prisoners had been in danger up to the last moment from a fanatical section of the insurgents, and that the promises had been made under compulsion 'owing to the number of women and children involved'.

Dr. Schuschnigg explained the part played by the German Minister without any apparent bitterness. Dr. Rieth had been asked by telephone, by the insurgents, to come to the Federal Chancery as witness to the undertaking between them and the Government emissaries, Dr. Neustädter-Stürmer and Major Fey. This he had done, and had further been asked to ensure the

<sup>1</sup> No. 525.

<sup>2</sup> No. 528.

insurgents a safe-conduct to the German border and free entry into German territory 'as German citizens'. I did not gather that he had accepted these demands, but it was indicated that Dr. Rieth had had a private conversation with the insurgents.

Immediately after this meeting Dr. Hornbostel had a private conversation with the Italian and French Chargé[s] d'Affaires and myself. He was excited, having been imprisoned all the day, maintained vehemently that Dr. Neustädter-Stürmer and Major Fey had exceeded their instructions from the Cabinet, and added privately that he could not be sure that one or other of the above had not given his word that the insurgents would receive a safe-conduct to the border, 'owing to the approach of darkness and the danger in which the prisoners stood had they not been liberated before dark'. (This makes it fairly certain that the information given me, that the negotiations took place at 6 p.m. and that the liberation took place after 7 p.m., is correct.) In consequence, he felt that no word of honour was involved, and that the insurgents must, despite the fact that they had laid down their arms in apparent belief that they had been granted a safe-conduct, either be hanged or 'dealt with' by infuriated Heimwehr on their way to the border.

It has just been reported to me that the Cabinet failed to reach a conclusion last night as to the fate of the prisoners. The Government now realises that it dealt a fatal blow to its prestige by promising, or indicating, that the 150 rebels who had made themselves master of the Federal Chancery should go freely to Germany. Despite the doubt in the consciences of some as to the propriety of breaking the word apparently given not only by Major Fey, under compulsion, but by Dr. Neustädter-Stürmer as free and accredited negotiator for the Government, a way out is therefore being sought in order to justify severe punishment of the insurgents as an example and deterrent to others in the country districts who are following their example or thinking of doing so.

I have, &c.,

R. H. HADOW<sup>3</sup>

<sup>3</sup> For additional correspondence relating to the assassination of Dr. Dollfuss, see Appendix IV.

#### No. 537

*Letter from Mr. Campbell (Paris) to Sir R. Vansittart*

[C 5219/247/18]

BRITISH EMBASSY, PARIS, July 26, 1934

The following seems more suitable to a letter than to an official message. It is all rather nebulous and I do not want to start a premature hare.

When I had disposed of other matters with him yesterday, Léger proceeded to develop a theory that, if the Eastern Mutual Guarantee Pact came to nothing, there was a danger that Germany and Russia would get together and conclude some form of alliance. In the last few days evidence that this



danger was not entirely imaginary had been accumulating. The French knew for certain that at least a fortnight ago the experts in the Wilhelmstrasse had been set the task, as a matter of urgency, of working out the possibilities of an economic arrangement with Russia. (You will remember that the negotiation which terminated in the signature of the Franco-Soviet Pact of Non-Aggression was begun under the cloak of a commercial negotiation.) The French also had evidence, Léger continued, to the effect that the Reichswehrministerium were anxious to despatch officers to Russia on some sort of mission. Lastly, he affirmed, the Soviets had in the last fortnight noticeably cooled off in their discussions with the French.

I might well ask, Léger said, how it was that the Soviets, who were recently itching for some form of alliance with France, might suddenly be open to German blandishments. The answer was this: the Soviet move for an alliance with France—a move which the French had succeeded in diverting into the proposed guarantee pact—had a double motive. The Soviets wanted to rehabilitate Russia in the eyes of the world by entering into partnership with a first-class Power, and secondly, on material grounds, they wanted to ensure themselves in the West against the risk of a war with Japan in the East. Germany would serve their purpose really better than France. An arrangement with her would have, for one thing, the additional advantage of stultifying the understanding which the Soviets believed to exist between Germany and Japan whereby the former would keep Russia occupied in Europe in the event of war in the Far East. Further, the Soviets did not really desire to collaborate in the work of pacification in Europe: an arrangement with an anti-League Power like Germany, making between them a very powerful combination, would suit them much better. They had turned to France because, so long as Hitler was supreme, no arrangement with Germany was possible, but now things might be very different, as the activity in the Wilhelmstrasse and the Reichswehrministerium already showed.

It seems that Léger, when in London, mentioned something of all this to the Secretary of State, but the evidence which has been coming to hand since then appears to have confirmed him further in his fears. His remarks are therefore perhaps worth reporting, in this form. As regards the evidence to which he referred, I presume it came from French secret sources which, as we know, are not always entirely dependable. The contingency of an ultimate German-Russian arrangement seems however inherently possible, given the altered circumstances in Germany, and we should no doubt do well to keep it in view.

The result of all this, from the practical point of view, is that the French will be eager to press on with the Eastern Pact before the Soviets have time to slip out. In fact Léger told me that they would soon have to call upon the Poles for a definite answer one way or the other. I said that, when they did so, it was to be hoped they would do it in as tactful a manner as possible; there was some reason to believe that the Poles had already been somewhat antagonised by the manner in which the pact scheme had been put before them in the first instance. Léger replied that Polish susceptibilities would of



course be taken into account, but that it was all very well, an alliance implied that the two partners to it would pursue a common policy. The Poles not only pursued a policy of their own without consultation with their ally, but even put spokes in the wheel of the policy of their ally. At the same time they continued to claim all the advantages to be derived from the alliance. They could not indefinitely have it both ways; there would shortly have to be some plain speaking.

The further result, if Léger's fears retain substance, is that, if the pact comes to nothing, France will be in all the greater hurry to rush into an alliance with Russia in order to forestall Germany.

One way and another, the outlook is not particularly reassuring.

R. H. CAMPBELL

**No. 538**

*Minute by Mr. Sargent<sup>1</sup>*

[R 4258/37/3]

FOREIGN OFFICE, *July 27, 1934*

Signor Vitetti called this afternoon to reassure us as regards the Italian military movements on the Austrian frontier.

He was instructed to tell us that the military measures which had been taken on the Brenner and Carinthian frontier had been carried out entirely by the troops normally stationed in these localities and are of a purely precautionary nature and devoid of any character of mobilisation.

Signor Vitetti went on to say that he proposed to telegraph to his Government to say that whereas British public opinion had appreciated the reasons which had made it necessary for the Italian Government to take these precautionary measures on the frontier, they would grow critical if special military measures were maintained now that the situation in Austria had been more or less re-established. There was a general feeling that great caution was necessary in order not to increase the alarm already created, and that (and this was my suggestion) it was particularly desirable therefore not to arouse any suspicion that isolated military action by Italy was in contemplation.

O. G. SARGENT

<sup>1</sup> Copies of this minute were sent to Rome and Vienna on July 31.

**No. 539**

*Mr. Murray (Rome) to Sir J. Simon (Received July 31)*

*No. 670 [R 4271/37/3]*

ROME, *July 27, 1934*

Sir,

I have the honour to report that when I saw the Under-Secretary of State for Foreign Affairs this morning in order to communicate to him the text of

your statement in Parliament yesterday on the Austrian outrage, in accordance with the instructions contained in your telegrams Nos. 235<sup>1</sup> and 236<sup>2</sup> of the 26th July, I asked him what their latest news was regarding events in Austria. He told me that a certain amount of fighting was still going on in Carinthia, but that he thought the Government had it well in hand. From a previous conversation I had with his secretary, I think that Signor Suvich was more worried about this than he cared to show.

2. He was also upset over the appointment of Herr von Papen as German Minister at Vienna—not so much at the choice of Herr von Papen as at the fact that the Austrians appeared to have accepted it without protest. This the Italian Government found difficult to understand. Signor Suvich also mentioned that there had been a small incursion across the northern frontier by the Austrian Legion, but this, too, had been dealt with satisfactorily.

3. He did not know who was going to succeed to the chancellorship, but hoped that it would be Prince Starhemberg. He knew all the Austrian Ministers personally, and thought he was much the best. Signor Suvich and Italians generally seem to think that Major Fey's attitude has been, to say the least of it, equivocal, and they cannot understand how he failed to organise some defence of the Ballplatz, seeing that he had warning that something was in the wind a quarter of an hour before the actual assault took place.

4. In reply to an enquiry, Signor Suvich said that they had no reports of any troop movements by the Czechs or the Yugoslavs other than normal frontier precautions in view of the situation in Austria.

5. As regards the immediate future, he thought there was nothing to be done but to watch developments closely. Suggestions had been made that perhaps England, France and Italy might go beyond their February declaration and declare that interference with the independence of Austria would be regarded as a *casus belli*. He did not, however, believe that His Majesty's Government would lend themselves to any such declaration in view of the marked disinclination of British public opinion to assume further continental liabilities. I pointed out that you had lost no time in making the position of His Majesty's Government clear to all the world, and enquired whether the French Government had made any similar pronouncement. Signor Suvich said that he hardly expected them to do so, and in any case it was unnecessary, as the French Government would certainly be ready to go as far as, or farther than, His Majesty's Government.

6. In conclusion, Signor Suvich said that the most encouraging feature of recent developments was that they at least disposed of the Nazi contention that they enjoyed the backing of practically the whole of Austrian opinion.

7. I have sent a copy of this despatch to His Majesty's representative in Vienna.

I have, &c.,  
JOHN MURRAY

<sup>1</sup> No. 531 was repeated to Rome as Foreign Office telegram No. 235.

<sup>2</sup> No. 532.

No. 540

*Mr. Newton (Berlin) to Sir J. Simon (Received July 28, 3.10 p.m.)*

*No. 206 Telegraphic [R 4220/37/3]*

BERLIN, July 28, 1934, 1.40 p.m.

My telegram No. 201,<sup>1</sup> last paragraph.

A very tendentious communiqué bearing time 8.14 p.m. was issued on July 25 by Deutsches Nachrichtenbüro but never delivered at Embassy as an hour and a half later it was withdrawn and publication prohibited.

This communiqué, which was of fair length, was headed 'The people's court in Austria' and purported to contain an account of situation received by Deutsches Nachrichtenbüro from Austrian sources. The following statements were amongst its salient features.

'The people have risen in judgment on Government of Dollfuss. The inevitable has happened. The German people in Austria has risen against its oppressors, gaolers and torturers. Those who have witnessed and experienced the terror practised in the German land of Austria against everyone with pan-German sentiments can understand this great rising of people.

'The whole people have risen in Austria.

'Germanism (in this sense 'Deutschtum') is celebrating its victory against Dollfuss Government. It is important and very satisfactory that German people in Austria have removed this illegal and anti-national ('Volksfeindlich') Government. The crux of the matter is that the people will no longer have this Government regardless of what foreign Powers may say. The rising was a sequel to latest court martial proceedings. Although only one member of Schutzbund has so far been hanged the whole German people sympathize with him. What happened to him was impending for numberless good Germans whose sole crime was to have fought for Germanism. It will be the task of new Government to prepare the way for peace and order and to make pan-Germanism at home also in German Austria.'

Repeated to Vienna by bag.

<sup>1</sup> No. 529.

No. 541

*Sir W. Selby (Vienna) to Sir J. Simon (Received July 28, 7.45 p.m.)*

*No. 94 Telegraphic [R 4222/37/3]*

VIENNA, July 28, 1934, 6.40 p.m.

Agreement has been reached between Schuschnigg and Starhemberg by which they are to divide all portfolios between present Cabinet except Ministry of Agriculture.

Starhemberg has issued a strong manifesto rejecting any compromise with Nazism. Clerical press is taking same line and attacks Germany.

Government has informed German Legation that grant of *agrément* for von Papen cannot be decided until Cabinet has been formed early next week.

Italian Government has sent de Martino 'as special representative to the Chancellor's funeral'; but probably also to confer with Austrian Government.

Austrian Government is reported in military circles to have rejected Italian offer of military assistance in Carinthia on Friday July 27. Yugoslav representatives are very nervous and give impression if Italian army enters Austria Yugoslav army will invade Carinthia.

Repeated to Rome, Berlin and Belgrade.

**No. 542**

*Mr. Knatchbull-Hugessen (Riga) to Sir J. Simon*  
(Received July 29, 3.40 p.m.)

*No. 104 Telegraphic [C 5147/247/18]*

RIGA, July 29, 1934, 2.10 p.m.

Pact proposals.

Secretary-General of Latvian Ministry of Foreign Affairs has asked me to obtain information on the two following points.

1. Proposed Pact provides for consultation between signatories in case of need and in certain circumstances France would join in these consultations. There is, moreover, a general tendency for Locarno Powers to take part in consultations under Eastern Pact. Is there any possibility of His Majesty's Government participating in such consultations without of course assuming any obligations? Baltic States would be interested in this as it would re-affirm impartial aspect of the Pact whereas if obligation to share in such consultations is only to rest on France there would in principle not be complete impartiality.

2. Principle on which consultation is provided for in French proposal is not altogether agreeable to Baltic States. They would like to see consultation at an earlier stage than 'attack or threat of attack', viz., in case of menace of danger.

.Repeated to Berlin, Rome, Moscow, Paris, Prague, Helsingfors and Warsaw.

**No. 543**

*Sir W. Selby (Vienna) to Sir J. Simon (Received July 30, 10.15 p.m.)*

*No. 98 Telegraphic [R 4253/37/3]*

VIENNA, July 30, 1934, 8.0 p.m.

My telegram No. 94.<sup>1</sup>

While no one attempts to conceal the great difficulties with which Govern-

<sup>1</sup> No. 541.

ment is confronted owing to discontent of many elements in the country appointment of Herr Schuschnigg as Chancellor seemed to be thought best in the circumstances. I gather it came about as a result of personal intervention of President.

At a meeting of representatives of Little Entente this morning which was attended by French Minister it was agreed that every assistance should be given to Austrian Government against terrorist action whether from Nazis or Communists. Some 700 escaped Nazis have already been interned by Yugoslav Government.

Yugoslav Minister raised question of Italian armed intervention. French Minister did not consider intervention likely to be required at present, but agreed that if intervention of any kind came about it must be international in character. Yugoslav Minister is very apprehensive as regards possible effects of independent Italian action.

Yugoslav Minister also raised question of encouraging broadening basis of Government by inclusion of elements such as Landbund which had previously collaborated with Chancellor Dollfuss. The need for some such broadening was recognized although it was not felt that any immediate action would be taken.

French Minister informed his colleague that French Chargé[s] d'Affaires at Berlin and Rome had been instructed to 'exchange views' on situation with the Governments to which they were accredited.

Great importance is attached to mission to this capital of Herr von Papen. I understand that German Government have returned what is regarded as a satisfactory reply to enquiries of Austrian Government on the subject of his exact capacity and that *agrément* will be given in the course of a few days, probably after return to Berlin of Herr Tauschitz who is now to resume his post as Austrian representative in that capital.

Organized resistance of Nazis in the country seems to have broken down and reports are to the effect that order is being restored.

Repeated to Berlin and Rome.

#### No. 544

*Letter from Sir R. Vansittart to Mr. Campbell (Paris)*

[C 5219/247/18]

FOREIGN OFFICE, July 30, 1934

Thank you very much for your letter of July 26.<sup>1</sup>

The idea that the old relations between Russia and Germany might be resumed now that the militarists are again in the ascendant in Germany does not seem to me at all surprising. Indeed I have always thought it quite possible, and it would, of course, suit us very ill. French fears on this account therefore do not seem to me to be groundless, and it is no bad thing that they

<sup>1</sup> No. 537.

should now wish to push on with their pact, although the pace is a matter for them and not for us.

I have shown your letter and my comments on it, as above, to the Secretary of State.

R. VANSITTART

**No. 545**

*Sir J. Simon to Mr. Knatchbull-Hugessen (Riga)*

*No. 63 Telegraphic [C 5147/247/18]*

FOREIGN OFFICE, *July 31, 1934, 3.30 p.m.*

Your telegram No. 104.<sup>1</sup>

If the Latvian Government have any representations to make respecting proposed Eastern Pact, they should address themselves to its authors and not to His Majesty's Government. Latter are unable at the present stage to give any indication of action they would take in regard to a pact which is still only in embryo and to which they will not be parties.

You should inform Secretary-General of Ministry of Foreign Affairs accordingly and discourage further questions of this nature.

For your information Latvian Minister here has enquired whether His Majesty's Government would, if invited, agree to be represented by an observer at negotiations for drafting pact. He has been informed that while, as Latvian Government know, His Majesty's Government hope for conclusion of pact, they find it impossible to define their attitude at the present stage before negotiations have begun.

Repeated to Paris, Moscow, Warsaw, Berlin, Helsingfors and Rome.

<sup>1</sup> No. 542.

**No. 546**

*Sir J. Simon to Mr. Murray (Rome)*

*No. 244 Telegraphic [R 4293/37/3]*

FOREIGN OFFICE, *July 31, 1934, 7.10 p.m.*

Please deliver the following to Signor Mussolini as a private and personal message from myself.

'The House of Commons adjourned today for the summer recess, but before leaving London tomorrow I should like to send Your Excellency a personal message recording the sympathy with which your own policy and declarations in connexion with recent events in Austria has been received here. You have, I know, been kept fully informed of the reactions of British opinion through the Italian Embassy and it is a great satisfaction to feel that

the correspondence between the Italian and the British view is so close. I feel sure that the prudence which these Governments have shown has been the right course and has tended to allay at the earliest possible moment the natural alarm caused by the insurrection in Vienna and by the brutal murder of the Austrian Chancellor. I trust that the Italian Government, the French Government and His Majesty's Government will continue to co-operate on the basis of the joint declaration of February 17 last, and will take counsel together in regard to the Austrian problem, so as to avoid any danger of misunderstanding or divergent policy.

'In my statements in the House of Commons on July 26<sup>1</sup> and July 30<sup>2</sup> I have reiterated on behalf of this country the point of view taken by the three Governments in the February declaration, and have repeated that His Majesty's Government, while refusing themselves to interfere in the internal affairs of Austria, recognise the right of Austria to demand that there shall be no interference from any other quarter.'<sup>3</sup>

<sup>1</sup> See No. 531.

<sup>2</sup> See Parl. Deb., 5th ser., H. of C., vol. 292, cols. 2261-3.

<sup>3</sup> Mr. Murray was informed in Foreign Office telegram No. 245 of July 31 that this message was purely personal and private and was not for publication.

#### No. 547

*Sir G. Clerk (Paris) to Sir J. Simon (Received August 1)*

*No. 217 Saving: Telegraphic [C 5265/1345/18]*

PARIS, July 31, 1934

Press gives considerable publicity to debate on air armaments in House of Commons yesterday and in particular to Mr. Baldwin's statement that England's frontier is the Rhine.<sup>1</sup> Such a statement, it is thought, is tantamount to an admission that England and France must stand or fall together.

Press in general is loud in praise both of Mr. Baldwin's speech and of your own which wound up debate. Had such speeches been made by English statesmen twenty years ago, it is contended the war would probably have been prevented and it is further pointed out that Germany has only herself to thank for having produced a stiffening in the British attitude which would have seemed impossible twelve months ago.

<sup>1</sup> See Parl. Deb., 5th ser., H. of C., vol. 292, cols. 2325-2444. Mr. Baldwin, at the end of his speech opening the debate, said: 'Since the day of the air, the old frontiers are gone. When you think of the defence of England, you no longer think of the chalk cliffs of Dover; you think of the Rhine. That is where our frontier lies.'



*Sir G. Clerk (Paris) to Sir J. Simon (Received August 1)*

*No. 218 Saving: Telegraphic [R 4302/37/3]*

PARIS, July 31, 1934

In the course of an informal conversation today M. Léger said that the French Government was far from reassured about the Austrian situation and thought that it would soon be necessary for the Powers to do something that would give them a hold on the situation before it passed beyond their control.

2. The first needs were (a) to inspire Austria with the courage to continue the struggle for the maintenance of her independence, and (b) to restrain Italy from isolated action.

3. As regards (a) M. Léger said the Austrian Legation was imploring the French Government to abandon its attitude of reserve. The reply had hitherto been that this attitude was imposed by the desire to avoid giving the impression that the French Government was turning the situation to account for its own ends, but there was a risk that if further moral support was not shortly forthcoming Austria might subside into despair and give up the struggle. The crocodile tears shed by Germany probably portended the intention to abandon the blustering tactics hitherto employed and to work for the national-socialisation of Austria by more insidious and more promising methods: Herr von Papen would be a master at this game. It was desirable that, so long as their hands were not forced, the Powers should abstain from direct action in Berlin (Italy was likely in any case to refuse) and that the action taken should be taken by Austria itself. But she would have to be encouraged with the requisite moral support. There were several forms which her action might take: to make only one suggestion, she might call on Germany to follow up her present correct public attitude and give further proof of her sincerity by breaking up the Austrian Legion in Bavaria. There were other demands which Austria, with the backing of the Powers, might make. It was a matter for consideration, but unless something was done soon Austrian resistance would collapse and the 'Anschluss' would be an established fact before we knew where we were. The Powers would do well to support Austria at once in taking whatever action seemed best calculated to put a stop once and for all to Nazi intrigues rather than await the day when they might be confronted with the necessity of taking direct action themselves. The present situation afforded a most favourable opportunity for laying the 'Anschluss' bogey with the minimum of risk; if allowed to pass it might never recur.

4. As regards (b) M. Léger said that his Government had some days ago suggested both in London and Rome that it would be well to set up some procedure by which the three Governments would remain in permanent consultation. Whereas you had given a favourable reply in principle, the Italian Government remained significantly silent. In the meantime the Yugoslav and Czechoslovak Governments were becoming increasingly restless and were beseeching the French Government to do something to

avert isolated action by Italy. If Italy sent troops into Carinthia nothing would stop Yugoslavia from doing likewise in order to prevent Italy from establishing direct contact with Hungary. Czechoslovakia would also mobilise at the first movement of Italian troops. M. Léger saw no way of averting a situation which might lead to the direst consequences other than that of establishing a system of permanent consultation between the three Powers such as would make it more difficult, if not impossible, for Italy to take isolated action. As to how such consultation, which to be effective must be closer than that of ordinary diplomatic intercourse, was to be brought about, an idea had occurred to him, but he had not yet propounded it to M. Barthou. It was that the British and French Ambassadors in Rome and a representative of the Italian Government, presumably M. Suvich, should form a sort of permanent committee with the task of watching the course of events, of exchanging views, and perhaps even of making recommendations ad referendum to their Governments. He suggested Rome as the seat of this committee, as this would flatter Signor Mussolini and render him more disposed to acquiesce. If M. Barthou approves you will presumably shortly be approached by M. Corbin with this suggestion. I gathered that, if made, it will probably be made confidentially to you in the first instance before anything is said in Rome.

**No. 549**

*Sir W. Erskine (Warsaw) to Sir J. Simon (Received August 4)*

*No. 17 Saving: Telegraphic [C 5322/247/18]*

WARSAW, *July 31, 1934*

Riga telegram No. 103.<sup>1</sup>

I asked M. Beck today if he could tell me anything about the result of his visits to Tallinn and Riga.

His Excellency replied that he had discussed with Estonian and Latvian Governments proposed mutual guarantee pact. He was careful to add that he had of course said nothing in disparagement. He had found them both ignorant of its details and while he had not felt at liberty to furnish them with the text he had explained its main features as known to him.

His general impression was that while ready to welcome any proposal which would really contribute to their security and that of Eastern Europe in general, they were extremely apprehensive of being used as pawns in a combination over the policy of which they could exercise no control. They felt that they would be putting themselves at the mercy of Russia as in the

<sup>1</sup> Not printed. [This telegram of July 29 reported that according to the Latvian Ministry of Foreign Affairs, M. Beck wanted clarification of three points: (i) the position of Germany and Russia in regard to the League of Nations, (ii) the extent of the military obligations Poland would have towards Lithuania, (iii) questions connected with Lithuania.

event of aggression from that quarter, France could give them no effective support. Moreover present proposals following almost immediately after M. Litvinov's successive proposals for guaranteeing Baltic States had made them intensely suspicious of his real intentions.

As regards Poland I asked His Excellency if he had considered what her position might be should a collapse of Hitler régime lead to restoration of predominant Junker influence. It seemed possible that in that event policy of good relations with Poland on which he relied might be reversed whereas if Hitler had already accepted pact it would be far more difficult for another German régime to repudiate engagements undertaken in a multilateral instrument of this kind. His Excellency demurred to this view and indicated that Poland might be better off if she had kept her hands free to deal in her own way with a situation, such as I had suggested, if and when it arose.

Otherwise in speaking of the pact he adopted a rather less critical tone than in previous conversations assuring me that he was submitting it to the careful and impartial examination in all its bearings—juridical, political, and military—which it required. This would necessarily take time but he hoped that by the time the League Council met in September he would be in a position to define Poland's attitude more definitely. He also expressed the view that the proposals had been put forward without sufficient study and especially without sufficient diplomatic preparation.

I rather doubt, however, whether this slight change of tone means more than that he now realises that his former insistence on Polish objection to the pact was bad tactics.

Repeated to Berlin.

#### No. 550

*Letter from Mr. Newton (Berlin) to Mr. Sargent*

[R 4367/37/3]

BRITISH EMBASSY, BERLIN, *July 31, 1934*

You will be interested to hear the following account of the circumstances attending Papen's appointment to Vienna, which was given *in confidence* to a member of the Embassy by someone close to Papen.

2. After the murder of Bose, his Chef de Cabinet, and the imprisonment of most of his staff, Papen had to decide whether he would do the obvious thing and resign, which might mean fading away into complete obscurity and impotence, or whether he would swallow the insult to himself and his office and bide his time, in the hope that something would turn up which would so strengthen his position as to enable him to secure some satisfaction. He chose the latter course, and the assassination of Dollfuss gave him his chance.

3. Hitler had hitherto always hoped that his cherished Austrian dream would be realised, and had steadily connived at the anti-Dollfuss campaign

carried on by the Brown House at Munich. He was, however, in all likelihood unaware that arms and explosives were being smuggled over the border, and was certainly quite in the dark about the Vienna 'putsch'. When it was clear that the 'putsch' had failed, Hitler, who knew when he was beaten, decided to throw in his hand. He believed that Papen was regarded abroad as more respectable than the rest of his associates, and that consequently he was the man to undertake the work of effecting a reconciliation with Austria. Papen realised this too, and was therefore sure of his ground when Hitler flew back to Berlin on the afternoon of July 26 and offered him the post. A very long conversation took place, during which Papen made it perfectly clear that he would only accept the appointment on very definite conditions. These were the complete abandonment of the policy towards Austria hitherto pursued, the guarantee that the Munich propaganda would cease, the dismissal of Habicht, the dissolution of the Austrian Legion, the severance of all connexion between Austria and the German Party organisation, and the drastic punishment of those responsible for Bose's murder. Hitler accepted Papen's terms entirely and the appointment was published the next day.

4. The condition that Papen should be directly subordinate to Hitler was made at the former's request. His relations with Neurath were somewhat strained and his personal vanity was offended at the idea of a Vice-Chancellor being under the orders of a Minister for Foreign Affairs. He would have very little to do with the Minister for Foreign Affairs and would for the most part report to and receive orders from the Chancellor alone. He would leave for Vienna about the end of this week and would in any case return to Berlin after a few days.

5. The office of Vice-Chancellor would definitely be abolished. Göring had of course suggested himself for the position, but Hitler had turned him down quite flatly. In no case would Papen resume the office of Vice-Chancellor under Hitler.

6. According to this source, Papen's appointment is intended to be no mere change of method as regards Germany's policy to Austria, but to represent a complete 'Umschwung' in Austro-German relations, and indeed in Germany's internal policy as well.<sup>1</sup>

BASIL C. NEWTON

<sup>1</sup> Mr. Carr replied to this letter, in Mr. Sargent's absence, on August 17. He remarked that it would be interesting to know whether, and in what way, Herr von Papen's condition about the punishment of the murderers of Bose was fulfilled; he noted that since Mr. Newton's letter was written the condition about non-subordination to Herr von Neurath had been waived. He concluded: 'In short, we are left with the impression that Herr von Papen was distinctly less master of his fate in the matter of his appointment to Austria than your informant tried to make out.'

**No. 551**

*Sir J. Simon to Sir G. Clerk (Paris) and Viscount Chilston (Moscow)*  
*No. 122<sup>1</sup> Telegraphic [C 5269/247/18]*

FOREIGN OFFICE, August 1, 1934, 2.0 p.m.

My telegrams Nos. 151 and 59, to Berlin and Warsaw.<sup>2</sup>

Please inform French (Soviet) Government and express hope that no time will now be lost by them who, with Soviet (French) Government are authors of proposed pact, in urging the opening of negotiations.

Interview with Secretary-General of French Ministry of Foreign Affairs (see Paris telegram No. 213 Saving<sup>3</sup>) did not suggest that any very active steps were being taken by French Government.

Repeated to Berlin, Warsaw and Rome.

<sup>1</sup> No. 122 to Paris, No. 90 to Moscow.

<sup>2</sup> No. 552.

<sup>3</sup> No. 534.

**No. 552**

*Sir J. Simon to Mr. Newton (Berlin) and Sir W. Erskine (Warsaw)*  
*No. 151<sup>1</sup> Telegraphic [C 5269/247/18]*

FOREIGN OFFICE, August 1, 1934, 3.30 p.m.

The German and Polish Governments may be expected shortly to give their views respecting the proposed Eastern Pact and it is not impossible that the views of the German (Polish) Government will be given to Your Excellency in reply to the representations which you made on instructions contained in my telegram No. 125<sup>2</sup> (40<sup>3</sup>).

In that event three courses would be open to His Majesty's Government in the United Kingdom:—

(a) An attempt might be made to persuade the two Governments to modify their views if, as seems probable, they do not constitute acceptance of the proposed pact; or

(b) The German and Polish replies might be transmitted to the French and Soviet Governments with a request for their observations; or

(c) The German and Polish Governments might be told that whilst naturally interested to know their views, His Majesty's Government expect them in the first instance to address themselves to the authors of the proposed pact, namely the French and Soviet Governments and to discuss with them their views.

The first course seems undesirable, in that it would make His Majesty's Government directly responsible for the Franco-Soviet proposal; the second course would be dilatory and might place His Majesty's Government too openly in the position of arbitrator, which is one they do not desire to assume.

<sup>1</sup> No. 151 to Berlin, No. 59 to Warsaw.

<sup>2</sup> No. 497.

<sup>3</sup> Not printed. See No. 493, note 3.

The third course is that which commends itself to His Majesty's Government and in the event of the German (Polish) Government approaching Your Excellency in the manner foreseen, you should reply accordingly.

Repeated to Paris, Moscow and Rome.

**No. 553**

*Sir J. Simon to Sir G. Clerk (Paris)*

*No. 1169 [C 5306/247/18]*

FOREIGN OFFICE, August 1, 1934

Sir,

M. Corbin, in conversation with me today, spoke of the prospects of the Eastern Pact. I gathered that M. François-Poncet had been told in Berlin by Herr von Bülow that Germany would in due course make some public statement as to her attitude to the proposal. But Herr von Neurath is away taking a cure and, consequently, the statement is not to be expected before the end of September.

2. I asked the Ambassador whether the French had themselves explained to Germany the real character of the proposal as it now stood. We had, as he knew, carried out our promise to M. Barthou and made representations in support of the pact in its revised form in Berlin, Warsaw and Rome. For this purpose the document first produced to us had been shown to the German Foreign Office, not as representing the present proposal, but as a way of explaining how important were the changes providing for reciprocity which were introduced as the result of the London conversations. I had the impression, however, that the German Foreign Office had in some quarters misrepresented the proposal which we now recommended and had treated the document as though it embodied this proposal. M. Corbin said that he thought that verbal explanations had been given both in Paris and in Berlin on behalf of France. I urged that Germany should be left with no excuse for misunderstanding what was proposed when she made her statement, and that, if there were any possible doubt, this should be cleared up beforehand. I added that, if questions were addressed to us at Warsaw or Berlin as to the details of the proposal, I felt it would be natural to refer the enquiries to the French, who were, after all, primarily responsible both for the suggestion and for carrying it out. M. Corbin said that he quite understood this. He added that it was evident that we had accomplished a real transformation in the view of Italy on the subject and that Italian support was due to our representations, for which he was extremely grateful.

I am, &c.,

JOHN SIMON

*Mr. Newton (Berlin) to Sir J. Simon (Received August 3)*

*No. 908 [C 5289/1345/18]*

BERLIN, August 1, 1934

Sir,

Little comment has so far appeared in the Berlin papers on the debate in the House of Commons on July 30 on air policy. The 'Völkischer Beobachter' reproduces passages from your speech and under the headline 'Simon rejects attacks on Germany' seeks to show that you were principally engaged in rejecting the aspersions cast on Germany by Mr. Winston Churchill. The paper, however, also publishes a short message from its Paris correspondent quoting extracts from the French Press to the effect that the debate had shown that England's security was now inseparably bound up with that of France, and that Mr. Baldwin's speech had made it clearer than ten treaties that the United Kingdom would be on the side of France in the event of an attack upon the latter.

2. The 'Berliner Tageblatt' states that the whole debate showed that England now regards Germany as the potential enemy against which she must arm. It must, however, be asked whether His Majesty's Government were really honest in the attitude they had adopted in the course of the debate or whether they were not making use of the prevailing feeling against Germany in order to obtain approval for their policy of rearmament in the air. In any event the Government had attained their object and had won public approval. The *rapprochement* with France and the attitude adopted towards Germany were now so clear that the Locarno treaty had become practically meaningless for Germany. It was also correct that Mr. Baldwin's statement that England's frontier is on the Rhine was regarded as a warning to Germany which made it clear on which side England would be in the event of conflict. The question asked by the Left press whether Mr. Baldwin's speech meant that a secret alliance had been concluded with France was therefore purely academic. Mr. Baldwin had in fact let the cat out of the bag: not even when the Locarno treaty was under discussion had so clear a statement of England's vital interests in Europe been made as that contained in Mr. Baldwin's statement. But was it not rash to attempt to define with such certainty the course of future developments in Europe and to lay down that any attack on England's Rhine frontier must inevitably come from the East? The only bright spot for Germany in the debate had been Mr. Baldwin's observation about Germany's need for defence from aerial attack. The way in which Mr. Baldwin had spoken of Germany 'seizing the right' to rearm allowed one to conclude that England had reconciled herself to a certain German rearmament in the air and considered it useless to go on splitting legal hairs in the matter. In fact the whole justification given in the debate for British rearmament was the fact that German measures of aerial defence were, if not today, at any rate sooner or later to be regarded as 'fait accompli'.

3. The 'Frankfurter Zeitung' also suggests that the feeling in England against Germany was used for the purpose of inducing public opinion to accept a measure of aerial rearmament and points out that, while practically no mention was made of the air forces of other countries, the question of the potential menace offered by Germany was in the foreground throughout the debate.

I have, &c.,  
B. C. NEWTON

**No. 555**

*Mr. Newton (Berlin) to Sir J. Simon (Received August 2, 11.5 a.m.)*

*No. 217 Telegraphic: by telephone [C 5263/2885/18]*

BERLIN, August 2, 1934

My immediately preceding telegram.<sup>1</sup>

Minister of Propaganda made following announcement on German wireless at 10.15 this morning:—

'The German Government have decided on the following law which is promulgated herewith:

'The office of President of the Reich is combined with that of Chancellor of the Reich. As a result the functions hitherto exercised by the President of the Reich are transferred to the Leader and Chancellor of the Reich, Adolf Hitler. He will appoint his deputy.

'This law enters into force with the death of the President of the Reich.'

<sup>1</sup> Not printed. This telegram, telephoned at 10.15 a.m. on August 2, reported the death of President Hindenburg.

**No. 556**

*Sir J. Simon to Sir G. Clerk (Paris) and Sir E. Drummond (Rome)*

*No. 71 Saving:<sup>1</sup> Telegraphic [R 4335/1817/3]*

FOREIGN OFFICE, August 2, 1934

My telegram No. 191 of 1933<sup>2</sup> (My telegram No. 276 of 1933<sup>2</sup>).

Austrian Minister has formally expressed desire of his Government to prolong for a further year the permission granted in September last to recruit drafts of 8,000 volunteers for six months service in order to maintain Austrian army at treaty level of 30,000.

<sup>1</sup> No. 71 Saving to Paris, No. 250 to Rome.

<sup>2</sup> Not printed. This telegram of August 30, 1933, dealt with the Austrian request for the increase by 8,000 men of the size of the Austrian army. See Volume V of this Series, Nos. 274, 279, 290.



Please inform Government to which you are accredited that, if they concur, His Majesty's Government propose to reply at the earliest possible date that they agree to this extension on the same conditions as last year.

Repeated to Vienna.

**No. 557**

*Mr. Palairet (Bucharest) to Sir J. Simon (Received August 3, 9.30 a.m.)*

*No. 85 Telegraphic [C 5316/247/18]*

BUCHAREST, August 2, 1934, 9.0 p.m.

Your telegram No. 39.<sup>1</sup>

M. Titulescu has replied that situation has in fact been modified by French scheme. Polish Government having expressed the wish to Roumanian Government that Roumania as ally of Poland and neighbour of Russia should join in the Eastern Locarno Pact, Roumanian Government agreed and M. Radulescu has within the last few days made formal request at Paris for inclusion of Roumania.

Proposed Russo-Polish-Roumanian Pact will presumably become unnecessary if all three Powers are included in the other Pact. Text of triple Pact guarantees frontiers of signatories only.

Repeated to Paris and Warsaw.

<sup>1</sup> Not printed. This telegram of July 24 asked for a report on the effect of the proposed Eastern Pact upon a scheme for a Russo-Polish-Roumanian guarantee pact which, M. Titulescu had informed Mr. Palairet on June 30, had been agreed upon at Geneva but not yet signed.

**No. 558**

*Sir G. Clerk (Paris) to Sir J. Simon (Received August 3)*

*No. 220 Saving: Telegraphic [C 5284/247/18]*

PARIS, August 2, 1934

Your telegram No. 122.<sup>1</sup>

In M. Barthou's absence communication was made to Secretary-General of Ministry for Foreign Affairs this morning in accordance with your instructions.

2. M. Léger said that if you were using the word 'negotiations' in the restricted sense of a meeting between the interested parties for the elaboration of a text, he did not quite see how that stage could be reached until the German and Polish Governments had announced that they were ready in principle to negotiate. If you merely meant that everything possible should be done to speed up the discussions you could rest assured that the French Government, which was most anxious for the early conclusion of the pact, was doing everything in its power.

<sup>1</sup> No. 551.

3. French representative in Warsaw had yesterday been instructed by telegraph to inform M. Beck that French Government, though quite appreciating that Polish Government required time for consideration, must ask for reply at earliest possible moment and in any case before the meeting of the Assembly where advantage could be taken of the presence of the representatives of the Governments concerned to carry matters to the next stage. Polish Government were at the same time to be told as tenderly as possible that the time had come when a frank explanation was necessary. Was Poland still anxious to collaborate in a collective policy based on League of Nations principles or did she intend to follow a policy of her own based on bilateral arrangements? If the latter, then there seemed no further justification for the Franco-Polish alliance which was linked up with the League, and carried with it a certain community of policy.

4. M. Léger thought this was the only way of putting a stop to the Polish game of waiting to see which side of their bread was the more thickly buttered; that, when forced to give a straight answer to the straight question, the Polish Government would shrink from openly repudiating the policy of collective collaboration on League lines, and that that in itself would make it more difficult for them to hold aloof from the proposed Eastern Pact.

5. Germany and Poland, M. Léger continued, were each delaying in the hope that the other would assume the responsibility of wrecking the scheme. On the other hand if either agreed to participate it would be more difficult for the other to refuse. The French Government had now driven home the screw which it was in a position to apply to Poland, but it was difficult to see what more it could do at Berlin beyond expressing the pious hope that the German Government would soon vouchsafe an answer.

6. As regards the Soviet share in furthering the discussions, M. Léger thought that M. Litvinov would now go full-speed ahead. He knew that a number of his colleagues disapproved of the whole business and considered that Russia's future lay in an alliance with Germany which recent events had restored to the realm of practical politics. This would be the negation of the policy pursued by M. Litvinov for the last four years, and involve his elimination. His best chance of defeating his opponents was to get on with the Eastern Pact as quickly as possible, and according to M. Léger's information, he had just decided to apply for Russia's admission to the League without further ado in order to facilitate the negotiation.

Repeated to Berlin, Warsaw, Moscow and Rome.

Sir G. Clerk (Paris) to Sir J. Simon (Received August 3)

No. 223 Saving: Telegraphic [C 5286/247/18]

PARIS, August 2, 1934

My telegram No. 220 Saving.<sup>1</sup>

Following further details of instructions sent to French Ambassador in Warsaw may be of interest.

2. Telegram contained elaborate instructions designed to enable His Excellency to dispose of the (mainly futile) objections expressed by Polish Government to proposed Eastern Pact:

3. To the fundamental objection that the prestige of Poland would suffer in proportion as the prestige of Russia was enhanced by the position which the conclusion of the pact and her admission to the League of Nations would confer on her, the Ambassador was to say that Russia's restoration to the rank of a Great Power was already an accomplished fact. Poland herself had contributed to this consummation by signing a pact of non-aggression with the Soviets and encouraging other countries to do the same. Russia was once more a Power in the counsels [*sic* ? councils] of Europe and the conclusion of the proposed Eastern Pact would not materially alter that situation.

4. To the objection that once the pact were signed Russia might go back on her declared intention to apply for admission to the League of Nations the reply was to be that the French Government had stipulated her admission to the League as a condition *sine qua non* of the pact. (See also in this connexion final paragraph of my telegram under reference.)

5. To the objection that no reliance can anyhow be placed in Russian good faith the answer was to be that although the French Government could not make itself responsible for Russia's actions it was surely better, rather than that she should remain in isolation, to bring her into a collective system in which she would have the same rights and responsibilities as the other parties. She would thus be under some sort of control and it would be more difficult for her to strike out on some sinister line of her own.

6. To the objection that in the event of a German aggression on Poland, it would be dangerous for Poland to be overrun by Russian troops coming to her assistance the answer was to be that Poland might be very glad of such assistance, despite its dangerous character and that in any case she was not obliged to apply for it, though Russia would be bound to give it if she did. It was like having an account at a bank on which a cheque can be drawn or not at will. Even if a cheque were not drawn in the form of troops, it would be of great advantage to Poland to be able to draw one in the form of military supplies, particularly aviation material. Further it would be of advantage to Poland if France were able to furnish her with supplies through Russia in circumstances in which she were debarred from sending them through Germany.

<sup>1</sup> No. 558.

7. When calling upon the Polish Government for a frank explanation of the policy which it intends to follow the Ambassador was to retrace events since the conclusion of the alliance. Poland and France had co-operated wholeheartedly until recently. They were in unison at the time of the negotiation of the Geneva Protocol, they were in unison in the attempts to organise regional security (e.g. Locarno) which succeeded the failure of the universal system. In 1929 Poland had even suggested to France the negotiation of a tripartite regional agreement between France, Germany and Poland. France had agreed though the project subsequently came to nought. After this long association in organising regional security on collective lines, did Poland now mean to break away and go in for an isolated policy of bilateral agreements? France must know where she stands and have a plain answer to this question.

No. 560

*Sir J. Simon to Sir G. Clerk (Paris)*

*No. 125 Telegraphic [R 4302/37/3]*

FOREIGN OFFICE, August 3, 1934, 7.0 p.m.

The French Ambassador called yesterday and made the *démarche* fore-shadowed in your telegram No. 218 Saving.<sup>1</sup> He suggested that representatives of British and French Embassies in Rome should constitute, with an Italian representative who would naturally assume the presidency, a standing consultative body for exchange of information about Austria.

M. Corbin has today been informed that while we heartily approve any proposal for maintaining close contact and free exchange of information between the three Governments, we think that any formal and organised system of meetings would lend itself to misrepresentation, and its drawbacks seem to outweigh its advantages. We are instructing our representative at Rome to keep in constant touch with Signor Suvich and to tell Signor Suvich that he has been instructed to do so; and if the French Government, while avoiding any impression of concerted action, send similar instructions to their Ambassador, the desired result will have been achieved without setting up any formal machinery of consultation.

You may, if you so desire, also inform M. Léger in reply to his remarks to you.

Repeated to Rome and Vienna.

<sup>1</sup> No. 548.

No. 561

*Sir J. Simon to Mr. Murray (Rome)*

*No. 252 Telegraphic [R 4302/37/3]*

FOREIGN OFFICE, August 3, 1934, 7.0 p.m.

My telegram to Paris No. 125.<sup>1</sup>

You should inform Signor Suvich that you have been instructed to keep in close and constant touch with him with a view to exchange of information about the Austrian situation.

<sup>1</sup> No. 560.

No. 562

*Viscount Chilston (Moscow) to Sir J. Simon (Received August 3, 7.15 p.m.)*

*No. 107 Telegraphic [C 5314/247/18]*

MOSCOW, August 3, 1934, 7.0 p.m.

Your telegram No. 90.<sup>1</sup>

I have seen M. Litvinov and informed him accordingly.

M. Litvinov seemed to think that Baltic States had been fully secured for the pact (although their statements would seem to indicate only approval in principle). As to Finland he did not seem to expect her participation and said that this was not indispensable to the pact. He had broached the subject to M. Hackzell in Geneva and latter had been doubtful and had said that anyhow nothing could be decided before meeting of Finnish Parliament in September.

When I said we hoped no time would be lost in urging opening of negotiations, he said nothing further was possible as yet and until it was known who would be the parties it seemed to him no use negotiating or trying definitely to draw up a pact. There was no text beyond sketch which M. Barthou had given you. For the present, position was that decisions of Warsaw and Berlin were being awaited.

He told me and asked that this should be treated as confidential, that although pact might not be completed for some time to come he had, under French pressure, agreed that Soviet Union could be put up for League next month and not wait till next year. It must, however, be by invitation and there were precedents for this. Of course a seat in the Council must be assured; and also Soviet Union would make certain reserves.

I gathered that he has instructed his Ambassador in London to make some communication to you on this subject.

Litvinov goes tomorrow for five weeks' holiday in South Russia.

Repeated to Paris, Berlin, Warsaw and Rome.

<sup>1</sup> No. 551.

*Sir W. Selby (Vienna) to Sir J. Simon (Received August 7)**No. 20 Saving: Telegraphic [R 4405/37/3]*

VIENNA, August 3, 1934

Rome telegram No. 218.<sup>1</sup>

Responsible pan-German elements in Austria, chastened by failure of recent 'putsch' in which they did not participate and in growing fear of eventual triumph of irresponsible S.A. and S.S. elements directed from Munich (of which Nazi leaders in Austria have always been jealous) are temporarily in a mood for compromise with the Government on reasonable terms.

Moderate Socialists though hitherto utterly unsympathetic to, or even secretly glad of, the difficulties of the Government might equally be won over through fear of rapid spread of communism in their ranks to make common cause with the Government against Germany if the Government would make concessions such as release of Seitz.

But Austrian Government believes that collapse of Hitlerism is at hand and, spurred on by Catholic and Jewish hatred of Nazism, is staking everything upon holding out for the next two or three months by an uncompromising show of force; without apparently looking any further ahead. In this lack of policy it is (for your confidential information only) receiving encouragement from Italian Minister here who sees in compromise only a sign of weakness.

I have however good reason to believe (though this must not be made known to the Italian Government) that Signor Mussolini is receiving private reports in the following sense: (a) Austrian Government has neither strength nor unity of purpose and Cabinet loyalty sufficient to enable it to last out over the next winter unless it can broaden the basis of its support in this country during the autumn; (b) there are strong Nationalist (pan-German) elements in Austria with whom compromise might be possible on a basis of strict loyalty to their country against the almost Communistic extremist elements of the Nazi party, (c) after a wait of a month or two to prove that they were neither afraid nor weak the Austrian Government would do well to concentrate on a policy or [of] reconciliation as a bulwark against renewed and more insidious German attacks.

I therefore venture to suggest that as soon as Signor Mussolini has had time to recover from personal bitterness at loss of Herr Dollfuss he might be approached with following suggestions, (1) Italy, France and Great Britain to counsel Austria separately but simultaneously, to strengthen her position without delay both against Germany and against the economic distress of

<sup>1</sup> Not printed. In this telegram of July 30 Sir E. Drummond reported that the Italian Ministry of Foreign Affairs appeared satisfied with the immediate situation though they were still greatly preoccupied with what might happen in the future. They were trying, so far without success, to find some means of putting a stop to German manoeuvres to promote an 'Anschluss'.

next winter by conciliating all responsible Nationalist (pan-German) and Socialist elements in Austria. (2) If such action is taken forthwith and in such a manner as to show reasonable prospects of widespread popular support for the present Government the above Governments will give Austria all possible moral support should Germany make demands, during Herr von Papen's negotiations or at other times, calculated to infringe the declared policy of the Powers as regards maintenance of Austrian sovereignty and independence.

By co-operation with responsible Landbund elements Austrian Government would make sure of Yugoslav co-operation in above proposals and undertakings. The same applies to Czechoslovakia if moderate socialists are included. This should smooth the way for French participation in these representations which to succeed must be made by all three allied Powers and have the support of the majority of the Little Entente.

If on the other hand some such constructive policy does not soon replace the evident drift or ruthless show of strength which seem to be the Austrian Government's only present policy I feel it my duty to place on record my opinion that all the evidence here points to the conclusion that whether or no Germany collapses this year the position of the Austrian Government will become increasingly precarious. It has at present and despite the Chancellor's murder relatively little popular support and is at the mercy of a Heimwehr 'putsch' on the one hand or on the other hand of a threat of non-co-operation by the army and the police who are bitterly opposed to Heimwehr control.

Or again Prince Starhemberg and his followers may invite or precipitate Italian intervention and so cause Czechoslovakia, Yugoslavia, and even Hungary to start a general scramble to occupy the parts of Austria adjacent to their borders—with the consequent risk of a general conflagration.

I feel that Herr Schuschnigg has some realization of this danger but he needs support against his more extreme Catholic advisers and against the irresponsible ideas of Prince Starhemberg. Latter is planning another visit to the Lido.

Repeated to Rome.

#### No. 564

*Letter from Mr. Wigram to Mr. Campbell (Paris)*

[C 5286/247/18]

FOREIGN OFFICE, August 3, 1934

We do not think much of the way Léger proposed to tackle the Poles, as described in Paris telegram No. 223 Saving.<sup>1</sup> The arguments used in paragraphs 3, 4 and 5 of this telegram do not seem to us to go to the root of the matter at all and even paragraph 6 does not touch on the question of

<sup>1</sup> No. 559.

German troops moving across Poland to attack Russia, but only on such troops moving into Poland to the help of Poland, nor does it touch on the reverse possibility, i.e. Russian troops moving across Poland to attack Germany.

It may interest you to read a memorandum prepared in the Department and approved, on what we think are the real Polish objections.

Perhaps Léger was deliberately only instructing Laroche to deal with a part of the question? We would like you to find means of asking Léger privately whether this is the case. On the other hand, if it is his intention to instruct Laroche to deal with the question as a whole and really to try to force the Poles to give an answer on the whole, it might be useful that you should find means of letting Léger know of the different points which have occurred to us.

Of course, this would have to be done quite privately; none the less, we think that it might be helpful.

R. F. WIGRAM

P.S. It would *not* do to give Léger a copy of our memo.

ENCLOSURE IN No. 564

*Foreign Office Memorandum*

[C 5258/247/18]

FOREIGN OFFICE, *July 30, 1934*

*Polish objections to the proposed Eastern Pact of Mutual Guarantee*

(1) The policy of Marshal Pilsudski is, in general, to avoid the acceptance of uncertain liabilities; and to limit Poland's commitments to what he believes to be necessary for her immediate security. Poland, in his judgment, has to consider the possibility of three major wars, i.e. against Russia or Germany singly or against Russia and Germany combined. The Marshal's view is that the protection of Poland against these possibilities is adequately realised by the existing arrangements with Russia, Germany, France and Roumania.

(a) The Russo-Polish Non-Aggression Pact dates from 1932 and binds the two Governments mutually to refrain from all acts of aggression, or aggression against each other, either separately or in conjunction with other Powers. Should either Russia or Poland be subjected to any aggression by a third Power or a group of third Powers, the other contracting party binds itself not to give, directly or indirectly, aid or support to the attacking State during the duration of the whole conflict.

(b) Should one of the contracting parties undertake an aggression against a third State, the other party has the right to denounce the Pact without notice. Poland and Russia also agree not to take part in any agreements which, from the aggression point of view, are clearly hostile to each other.



(c) The Germano-Polish ten-year Non-Aggression Declaration of January 26th, 1934, binds the two Governments to settle directly all questions of whatever sort which concern their mutual relations. Should any disputes arise between them they will in no circumstances proceed to the application of force but if agreement is not reached by direct negotiation they will on the basis of mutual agreement seek a solution by peaceful means without prejudice to the possibility of applying, if necessary, those methods of procedure in which provision is made in other agreements in force between them. The international obligations undertaken by each Government towards a third party do not hinder the peaceful development of their mutual relations, do not conflict with the declaration in question and are not affected by it.

(d) The Franco-Polish Alliance of 1921, as modified in the light of the Locarno Treaty by the Franco-Polish agreement of 1925, binds France to come to the assistance of Poland in the event of German or Russian aggression; in the case of Germany only if and when Article 16 of the Covenant is held to apply to the case in point. The two Governments are also bound to concert together on all questions of foreign policy affecting their two countries and to consult each other before concluding new agreements affecting their policy in central and eastern Europe.

(e) Further, Poland has treaties with Roumania, dated from 1921 and renewed in 1926 and 1931, by which in effect a defensive alliance exists between the two countries. The 1921 Treaty provided specifically against aggression by Soviet Russia against Bessarabia and the Polish Eastern frontier but did not bind Roumania to aid Poland in the event of an attack by Germany. The 1926 Treaty conformed in appearance to the new international spirit of Locarno and the two countries pledged themselves to act in conformity with Article 16 of the Covenant, if invoked, to render each other assistance and to make no separate peace with the enemy. The two countries also agreed to concert together on all questions of foreign policy affecting them.

(f) Further, under the Polish-German Arbitration Treaty concluded as part of the Locarno Treaties in 1925, all disputes whatever their nature between the two Governments, with regard to which the parties are in conflict as to their respective rights and which it may not be possible to settle amicably by the normal methods of diplomacy, are to be submitted for decision to an arbitral tribunal or to the Permanent Court of International Justice. Such disputes may in the first instance be submitted to a Permanent Conciliation Commission. The Preamble to the Treaty lays down that the two Governments are equally resolved to maintain peace by assuring the peaceful settlement of differences between the two countries and that they agree to recognise that the rights of a State cannot be modified save with its consent.

(2) Poland holds that without affording her any greater security, the proposed pact would, in fact, increase her liabilities, both towards Czechoslovakia and the Baltic States, none of whom could give her any military assistance of real value, while she would be committed to their defence, in the case of German or Russian aggression. Moreover, Poland's relations

with Czechoslovakia are none too good, whilst the Lithuanian attitude towards her on the Vilna question is the source of obvious difficulties; this latter point does not seem to be of primary importance and the Poles have admitted as much. It is possible that a further Polish objection to the inclusion of Lithuania in the Pact would be that that country under the Pact would obtain a measure of security and protection which she does not at present enjoy *vis-à-vis* Poland and Germany, and which it is to Poland's interest not to encourage for it would mean that she would lose the advantage she now possesses of keeping Lithuania uncertain.

(3) Poland objects to the implication which the proposed pact seems to entail for her of admitting German or Russian troops on to her territory in order to defend it and probably also to the possibility that in the event of a Russian aggression against Germany or vice versa, Poland might presumably have to allow German or Russian troops to cross her territory to resist the aggression.

(4) There is further the possibility that Poland wishes to have her hands free in the event of Russian defeat by Japan; but in this case it is well to remember that Poland would still be bound by the obligations of the Russo-Polish Non-Aggression Pact of 1932, subject to the fact that Poland could denounce the Pact without notice if Russia attacked Japan.

(5) Poland affects to object to the exclusion of Roumania.

(6) It seems probable that the Polish Government fear the conclusion of a pact which is avowedly to be used for the purpose of re-opening the disarmament negotiations and which might therefore result in a demand being made upon Poland for further disarmament.

(7) The Polish Embassy in London has referred privately to the possibility that the conclusion of the pact may be used by the German Government to secure some fresh references to the desirability of treaty revision in general (cf. the Four-Power Pact).

(8) It is possible that the Polish attitude may be influenced by what Polish statesmen may hold to be French precipitancy in this matter to the neglect of Polish prestige; and further that the Franco-Russian Alliance, which some may hold the proposed pact in effect to consecrate, will diminish the value of the Franco-Polish alliance.

## CHAPTER IX

### Correspondence with the United States Government regarding British War Debts (February 3–June 26, 1934)

#### No. 565

*Sir R. Lindsay (Washington) to Sir J. Simon*  
(Received February 3, 8.35 p.m.)  
*No. 51 Telegraphic [A 1015/15/45]*

WASHINGTON, February 3, 1934, 12.48 p.m.

Senator Johnson's Bill was passed yesterday by the Senate declaring it unlawful to make any loan (other than renewal of loans) to foreign Governments or political sub-divisions thereof or organisations acting on their behalf, or to buy or sell the obligations of such Governments etc., issued after passage of this Act while such Government etc. 'is in default in payment of its obligations, or any part thereof, to the Government of the United States'.

The R.F.C.<sup>1</sup> is exempted from provisions of the Bill so that advances to e.g. Russia could still be made. Operations of the new stabilization fund will also be unaffected.

The Bill will come up shortly in the House of Representatives where sentiment is said to be strongly in its favour. In its present form it is backed by the Administration.

You will note that despite the President's personal statement that he would not regard us as in default, no differentiation is made in the Bill between countries making token payments and others.

<sup>1</sup> Reconstruction Finance Corporation.

#### No. 566

*Sir R. Lindsay (Washington) to Sir J. Simon*  
(Received February 6, 9.30 a.m.)  
*No. 54 Telegraphic [A 1061/15/45]*

WASHINGTON, February 5, 1934, 9.45 p.m.

My telegram No. 51.<sup>1</sup>

In case of precipitate action by House of Representatives on Senate Bills regarding war debts I felt it necessary to take some action and therefore asked Secretary of State today what was the attitude of the Administration towards the Bill.

<sup>1</sup> No. 565.

Secretary of State replied that on his return from South America he had found this legislation in process of enactment and he realised that it would destroy all the work he had done in the last three months. Though the motives behind the Bill were mainly demagogic he had exerted his influence and had succeeded in having amendment introduced which rendered it fairly innocuous so far as relations with Latin American countries were concerned. But as no Government concerned with war debts had made any *démarche* he had not thought it necessary to concern himself with this aspect of the question. He indicated though very uncertainly that some doubt might exist as to whether the Bill did refer to war debts or not.

I said that when the Bill had first come up in the Senate it had been passed by default and with no discussion at all. It had then been recommitted, a very exceptional procedure which usually indicated drastic reconsideration. It had indeed been announced in the papers that consultations were taking place with the State Department, and it had never occurred to me that latter would overlook war debts aspect of the Bill. Yet on Friday last Bill had been reported from Committee with amendments recommended by State Department and passed through all its stages in a quarter of an hour. I did not know what legal arguments might exist for the view that Bill did not affect war debts but to the ordinary man the language of the Bill indicated plainly that the Senate had intended to include in its scope all Governments who had not paid in full all their war debt instalments. I detailed to the Secretary of State efforts we had made to keep the question of debts open and to secure that it might be settled by agreement; if all these efforts were to be ignored and His Majesty's Government were to be dubbed by Congress as defaulters just as if those efforts had never been made, the utmost resentment would be aroused in Great Britain.

Secretary of State said that he would communicate at once with Foreign Affairs Committee of the House of Representatives with a view to suspending any immediate action on Bill, and he would also ask for the President's instructions.

In the meantime I should be very grateful for any instructions you may give me as to attitude I should adopt.

No. 567

*Sir J. Simon to Sir R. Lindsay (Washington)*

*No. 47 Telegraphic [A 1061/15/45]*

FOREIGN OFFICE, *February 7, 1934, 4.10 p.m.*

Your telegram No. 54.<sup>1</sup>

I approve your action and language and I consider it valuable that your protest should have been made.

<sup>1</sup> No. 566.

It is not necessary for you to take further action in the matter since the United States Government have put themselves definitely in the wrong and will put themselves further in the wrong if they allow the Bill to become law after your warning.

There is no prospect of our desiring to raise new loans in the United States for an indefinite period ahead, and we are quite indifferent whether dealing in British Government securities issued after this date is or is not made illegal in the United States. In the event of it ever becoming necessary to control dealing in American securities in London our hands will have been strengthened.

Throughout the debt negotiations last year it was made clear to the United States Government that we were not prepared to continue interim payments if we were to be termed defaulters. A decision by Congress overriding the President's declaration on this point would simplify the position as regards discussion of future payments. If you are approached further by the United States Government on the subject of this Bill you should take the line that substantial damage has already been done by the passage of the Bill through the Senate which has had an extremely unfavourable effect on public opinion here.

**No. 568**

*Sir R. Lindsay (Washington) to Sir J. Simon (Received March 23)*

*No. 318 [A 2405/15/45]*

WASHINGTON, *March 14, 1934*

Sir,

Perhaps I may usefully refer to the incidents relating to intergovernmental debts which have occurred since the beginning of this year. They are four in number:—

- (1) In his address at the opening of Congress on the state of the nation, the President said he would later on send in a message on debts, but he gave no indication of any kind as to what its nature would be.
- (2) The Johnson Bill deserves notice. It purports to penalise, by closing to them the New York money market, those Governments which are in default on any of their debts, commercial or governmental, owing to America. It has passed the Senate and is now in committee in the House. It is interesting to note that it finally passed in the Senate on the 2nd February without any opposition, with perfecting amendments proposed by the State Department, and with the Administration leaders of the Chamber standing by in favourable neutrality, all circumstances combining to indicate an absence of opposition by the White House.
- (3) At the end of February a debate on debts took place in the Senate

on the question of asking for papers. The debate was, in itself, unimportant, but what was interesting was the changed attitude of the Administration leaders. They opposed the motion, and in doing so they spoke incidentally some quite good common sense on the general subject of the debts.

- (4) Finally, there is the new debt settlement with Finland which has been negotiated and signed, but the existence of which has never yet, so far as I know, been disclosed to the public here. It will have to be presented to the Senate before the end of the present session, and there is no doubt whatever that, when it is so presented, the Senate will, without difficulty, agree to ratification, though presumably with much oratory on the shortcomings of the debtor Governments.

2. At several of his press conferences recently the President has been asked when he means to send in his message on debts. He has always evaded the question with his usual baffling adroitness, and, aided by the general lack of interest in the debts, he has been able so far to keep his intentions completely hidden. It is perhaps permissible to indulge in some purely hypothetical speculation. At the end of January the Congress was still subservient and his influence over it immense, and he might hope to be able at some favourable moment to address it with a view to getting some powers for himself to deal with the debtor Governments and to conclude bargains with them. Obviously he would be in a strong tactical position to obtain these powers if he could show, with the one hand, a good agreement obtained by negotiations with a debtor Government by himself, and, with the other hand, some deplorable mess made by Congress when it tried to treat the question; and the Finnish Agreement and the Johnson Bill would offer him just the two incidents he would need to lend strength to his message. But as the session advances the usual thing happens—Congress begins to get out of hand, it is less susceptible to White House control, it thinks more and more of its election campaign which will begin in the summer. The President begins to realise that, if he is to get his tariff powers from Congress, which he wants more ardently than anything connected with debts, he will probably have to jettison the latter, and he begins to think that his best course will be to leave the Johnson Bill to die in the House Committee, and to confine his action on the debt question to a request for the ratification of the Finnish Agreement—or to very little more than that. He can win this limited objective easily and whenever he likes, and he is in no hurry to go out for it. Meanwhile, he would lie low and be enigmatic, on the off-chance that things in Congress might improve and enable him to aim at something greater. I venture to submit that the hypothesis developed in this paragraph is not inconsistent with the known facts of the situation.

3. Normally, it ought to be quite easy to keep the Johnson Bill in the House Committee till the end of the session, when it would die with all other uncompleted legislation. It appears, however, that there is rather a bitter fight in progress between two committees of the House, both of which claim the right to mumble this bone, and, as the Speaker is incompetent, the

quarrel might come on to the floor of the House. I also see that Senator Johnson has been urging the House Committee to report the Bill out; so that there are still possibilities of trouble.

4. I am sending a copy of this despatch to the Department of Overseas Trade.

I have, &c.,

R. C. LINDSAY

P.S., *March 15*.—This morning's papers state that the Johnson Bill has now been reported out by the House Committee, and it will therefore come in due course before the whole House. I shall therefore address you further on the subject shortly.

R. C. L.

No. 569

*Sir R. Lindsay (Washington) to Sir J. Simon (Received April 3)*

*No. 351 [A 2573/15/45]*

WASHINGTON, *March 22, 1934*

Sir:

In continuation of my despatch No. 318<sup>1</sup> of March 14 about war debts, I have the honour to report that the Johnson Bill (S. 682) of which a copy was enclosed in my despatch No. 166<sup>2</sup> of February 8, was on March 14 reported out by the House Committee on Foreign Affairs. I enclose herewith copies of the Committee's report on this Bill.<sup>2</sup>

2. The Johnson Bill as now amended refers only to intergovernmental debts. It penalises persons who deal in the obligations, issued after the passing of the Act, of Governments 'in default' in whole or in part of their obligations to the United States Government.

3. The President has expressed the personal view that Governments who have made token payments are not to be regarded as in default. On the other hand Congress, who constitutionally have the last word in a matter of this sort, have uttered no such opinion, and it must follow that should the Johnson Bill pass through Congress, the conviction cannot be escaped that Congress includes in the category of defaulters all those Governments who have not paid in full all their contractual obligations to the United States Government, that is to say indifferently all those who either have or have not made token payments.

4. The Soviet Government, who has not even attempted to fund the debt of the former Russian Government to the United States, is put in a special position by Section 2 of this Bill. It is known to be the intention of the United States Government (see my despatch No. 209<sup>2</sup> of February 15), to extend United States Government credit to the Soviet Government for financing the latter's purchases in America through a government corporation created

<sup>1</sup> No. 568.

<sup>2</sup> Not printed.

*ad hoc*. While therefore the Bill inferentially includes the Soviet Government in the category of defaulters, it simultaneously preserves the power to extend to it the credits which are contemplated.

5. I beg to call your attention to the report from the House Committee on Foreign Affairs on the Johnson Bill. This document is the reproduction of a Senate report of last year which was written when the Bill was in a different form. Though this document is adduced in support of the present Bill, it is really entirely inappropriate, for it argues as if the Bill still refers to default on any obligations by foreign Governments, whether commercial or inter-governmental; and it suggests the intention to defend the direct interests of American investors as well as the fiscal interests of the American Government.

6. I called on Mr. William Phillips on March 20 and handed to him a copy of this House Committee's report. I made no representations to Mr. Phillips, but I did draw his attention to the discrepancy between the report and the Bill, a discrepancy which Mr. Phillips had not till then noticed. I briefly retailed the recent history of the Bill; how it had twice passed through the Senate Committee and the Senate, the second time with perfecting amendments suggested by the State Department, and with Senator Robinson of Arkansas standing by in an attitude of friendly neutrality. The Bill had now been reported out by the House Committee, and if it could get a special rule, it would come on to the floor of the House, and doubtless pass like a letter through the post. In view of all this I asked Mr. Phillips whether he could give me any indication of what the President's intentions now were as regards the question of intergovernmental debts.

7. Mr. Phillips answered that he could give me no information on this subject at all. All he could say was that at this period of the Session, as always, difficulties accumulated, and the Executive must begin to see that it could not pass all the measures it desired to enact and to consider what items in its programme it must keep and what sacrifice. He did not see that we could do anything at present except to wait.

I have, &c.,

R. C. LINDSAY

P.S. I am sending a copy of this despatch to the Secretary of State for Foreign Affairs, Department of Overseas Trade.

**No. 570**

*Sir R. Lindsay (Washington) to Sir J. Simon*

*(Received March 24, 9.10 p.m.)*

*No. 106 Telegraphic [A 2429/15/45]*

WASHINGTON, March 24, 1934, 1.47 p.m.

It is announced in the press today that Treasury has ruled that in view of expected imminence of passage of Johnson Bill United States banks are not to participate in Dutch Syndicate loan to France. Secretary of the Treasury



stated that Johnson Bill had Administration backing and that participation in loan would thus be contrary to Administration's policy and to apparent sentiment of Congress.

While Secretary of the Treasury has come out squarely behind the Bill, I do not think that it necessarily follows that Administration will not yet take some step to differentiate between countries which have made token payments and others. In this connexion you should know that I recently asked Under Secretary of State whether he could give me any indication of what President's intentions now were as regards question of intergovernmental debts. Mr. Phillips answered that he could give me no information on this subject at all. All he could say was that at this period of the Session, as always, difficulties accumulated and the Executive must begin to see that it could not pass all the measures it desired to enact and to consider what items in its programme it must keep and what to sacrifice. He did not see we could do anything at present except to wait.

### No. 571

*Sir R. Lindsay (Washington) to Sir J. Simon*  
(Received April 6, 9.30 a.m.)

*No. 115 Telegraphic [A 2683/15/45]*

WASHINGTON, April 5, 1934, 8.50 p.m.

Johnson Bill passed by House of Representatives under special rule, text as in my despatch [No.] 166.<sup>1</sup> It now requires only the President's signature to become law and as procedure adopted in the House makes it an Administration measure it is clear that this will not be withheld.

Debate in the House was not particularly acrimonious in tone and in substance was mainly unimportant. Text<sup>1</sup> by bag today. Two points require mention.

(a) *Applicability of the Bill to Governments making token payments.* This is left completely obscure by the Debate. Chairman of the Committee on Foreign Affairs who sponsored the Bill was questioned as to status of Governments like His Majesty's Government and merely answered 'The President as I understand it, has held that they are not in default'. Other speakers expressed doubt on the point.

(b) *Position of Soviet Government.* Most of discussion was on this question. The Chairman of Committee read to the House resolution passed by Board of Export Bank in the following terms 'no actual credit transactions with the Soviet Government shall be undertaken until that Government shall submit to the President acceptable agreement respecting payment of Russian indebtedness to United States Government and its Nationals'. Thus while Section II of the Bill was devised to make credits to Russia possible it is clear that they will be withheld until Soviet Government makes debt settlement or until Export Bank reverses its resolution.

<sup>1</sup> Not printed.

**No. 572**

*Sir R. Lindsay (Washington) to Sir J. Simon*

*(Received April 6, 9.30 a.m.)*

*No. 116 Telegraphic [A 2685/15/45]*

WASHINGTON, April 5, 1934, 8.50 a.m.<sup>1</sup>

My immediately preceding telegram.<sup>2</sup>

I recommend that His Majesty's Government suspend any action with regard to this Bill and if possible avoid any official pronouncement till it has been signed by the President. This must take place within next ten days. It is possible that he may address a message to Congress which will clarify the situation and probability might be increased by the fact that precise nature of settlement with Finland has transpired in the Press.

<sup>1</sup> This time is presumably an error for '8.50 p.m.'.

<sup>2</sup> No. 571.

**No. 573**

*Sir R. Lindsay (Washington) to Sir J. Simon*

*(Received April 14, 10.0 p.m.)*

*No. 122 Telegraphic [A 2961/15/45]*

WASHINGTON, April 14, 1934, 3.10 p.m.

Johnson Bill on debts was signed yesterday by the President and has now become law.

At Press Conference President was asked whether it applied to Governments making token payments and is reported to have said that he would have to consult the Secretary of State before he could answer. It has also been reported that the Secretary of State would issue public statement on the subject next week.

Enquiry at the State Department has elicited information that the Secretary of State intends to take up the examination of this question with the legal authorities of the Government at once but that a statement by him in the immediate future is not to be expected.

**No. 574**

*Sir R. Lindsay (Washington) to Sir J. Simon*

*(Received April 20, 9.30 a.m.)*

*No. 125 Telegraphic [A 3099/383/45]*

WASHINGTON, April 19, 1934, 8.48 p.m.

Debts.

Under Secretary of State told me on April 17 that State Department was formally referring to Attorney General question of exact scope of Johnson

Bill especially with regard to applicability to token paying Powers. He thought that it might be some time yet before reply would be forthcoming.

The President is reported to have indicated yesterday to press conference that he still had it in mind to address a message to Congress on debts. I today asked Secretary of State if this was true. He replied that he did not know and that the President had not told him so.

I pointed out that the Administration had till lately appeared favourable to the system of preserving the situation by method of token payments. Now however it had reversed this policy and placed itself squarely behind the Johnson Bill. What had happened to account for this change of attitude? He replied that he himself had always been opposed to the Johnson Bill but that he could not make himself responsible for what other people might do or say.

I have been unable to obtain anywhere any reliable indication as to the motives for attitude of United States Government in the last few weeks or as to its intentions in the immediate future. I am inclined now to think the present situation has arisen as a result of existing confusion and incompetence and that no definite plan of procedure at present exists.

**No. 575**

*Sir R. Lindsay (Washington) to Sir J. Simon*  
(Received April 25, 9.30 a.m.)

*No. 131 Telegraphic [A 3229/15/45]*

WASHINGTON, April 24, 1934, 7.20 p.m.

**Debts.**

1. At present moment the only developments likely to occur on this side are: (1) a message on debts by President and (2) the opinion of Attorney-General asked for by State Department as to the meaning of Johnson Bill. Hitherto, in view of terms of your telegram No. 47,<sup>1</sup> I have been very cautious in making any enquiries at State Department and my views on future developments are necessarily very conjectural.

But it seems to me quite possible that the President's message, if and when he presents Finnish settlement to Congress, may not touch on general question of debts at all.

2. As to meaning of the Johnson Bill, though the President in his statements has expressed personal opinion that we are not in default he has carefully reserved rights of Congress, and he has clearly been entitled to base his opinion on moral considerations.

An Act of Congress, however, can only be construed according to strict legal meaning of words used and it seems to me incontestable that we have failed to meet a legal obligation and that technically we must be regarded in default. I therefore hardly expect Attorney-General's opinion will offer

<sup>1</sup> No. 567.

us any help, and he might possibly confine himself to statement that a matter of this nature can only be settled by Supreme Court.

3. The question having now been subject of action in Congress it appears to me that President's statement must fall to the ground. I am inclined to think he would hardly dare to repeat it on a future occasion in any fashion, and indeed it seems to me quite possible that he may have encouraged passage of Johnson Bill in order to relieve himself of responsibility of carrying single-handed the whole burden of debt situation as it has existed during the past year, a responsibility which might conceivably become onerous.

It is beginning to appear to me that system of token payments has never been anything but an expediency standing on a precarious basis, which has now been swept away and question arises whether we are to try to substitute some other means of carrying on, or to have a breach; that is accept the default situation and cease all payments.

4. I admit the nearer we approach to the latter situation the less I like it, because it seems to me that at any moment His Majesty's Government might be confronted with international situations in which it would be of capital importance to have as little bad blood as possible between themselves and United States Government. The existence of an unsettled debt will always be a source of mischief and it seems to me that it must be well worth while for His Majesty's Government to do something towards minimising that mischief in advance by making some further but final payment now, pending arrival of moment when both Governments will be able to consider debts in a realistic spirit, which may be distant. I will telegraph my views on this subject in the course of a day or two, but whatever we do will have to be based not on a fiction but on some sincere recognition of the present state of affairs.

5. Meanwhile all the above is more or less conjectural and His Majesty's Government would probably wish to base their plans on something more certain. It might be advisable for them to instruct me to request an audience with the President (no one else in Administration is worth questioning). Subject to your views I would propose that visit should be of an exploratory character. I would ask President why Johnson Bill received Administration backing, not for the purpose of making recriminations, but in order to help His Majesty's Government to formulate their plans to meet a new situation.

#### No. 576

*Sir R. Lindsay (Washington) to Sir J. Simon*  
(Received April 27, 9.30 a.m.)

*No. 134 Telegraphic [A 3280/383/45]*

WASHINGTON, April 26, 1934, 8.36 p.m.

My telegram No. 131,<sup>1</sup> paragraph 4.

In hypothetical event that His Majesty's Government may have to consider making one further payment in respect of debt which would be

<sup>1</sup> No. 575.

final pending revision I would urge following arguments in favour of that course.

Stage of debt problem now about to begin is likely to last a long time during which it will perpetually furnish material to mischief-makers and constitute great potential danger. High prestige His Majesty's Government now enjoys in spite of non-payment in full of past year is due mainly to good start made by payment of December 1932. It is most important that they should start new period as well as possible, and make as graceful an exit as possible from present one. They should show by concrete action that they do not willingly embrace first opportunity that presents itself of discontinuing all payments. And it is important to remove reproach that they are unwilling to pay anything on a legal debt when they have a budget surplus. There is a good deal of feeling on this point in New York in circles which are ordinarily very friendly to us.

Payment would be made as an earnest of lasting desire of His Majesty's Government to conclude new debt settlement as soon as it may appear that discussion between the two Governments may be fruitful.

It seems to me that sum of twenty million dollars would be very minimum we could tender as last payment we are likely to make for a considerable time. It would also have the advantage of bearing no relation to token payments already made.

**No. 577**

*Sir J. Simon to Sir R. Lindsay (Washington)*

*No. 113 Telegraphic [A 3229/15/45]*

FOREIGN OFFICE, *April 30, 1934, 6.0 p.m.*

Your telegram [No.] 131.<sup>1</sup>

You have correctly interpreted terms of our telegram No. 47<sup>2</sup> and we<sup>3</sup> are not in favour of any official enquiry of the President such as is suggested in your paragraph 5.

2. The President during the past year repeatedly recognised necessity of debt revision and agreed on adjournment of negotiations pending a clarification of the unsettled economic and financial situation. We made our token payment on receipt of his personal assurance that he did not regard us as in default. We offered to resume negotiations whenever after consultation with him it appeared that this could usefully be done.

3. If the President were to ask us to resume negotiations we should not as a matter of form refuse; but it is abundantly clear that time has not arrived when such negotiations could usefully be undertaken. Financial and economic difficulties which existed last November have not yet been cleared up, while action of Congress over Johnson and Tariff Bills shows no change of sentiment. And on the ethics of the question we equally remain unchanged.

<sup>1</sup> No. 575.

<sup>2</sup> No. 567.

<sup>3</sup> This telegram was sent at the request of the Chancellor of the Exchequer.

4. In the circumstances we are not clear what you mean in suggesting some 'further but final payment' in your paragraph 4. We would have been prepared to consider the possibility of a further token payment if President repeated his previous declarations; and despite legal difficulties pointed out in your paragraphs 2 and 3 this might have been a convenient course. But if the President endorses Johnson Bill it is precluded. We have no interest in continuing token payments unless we can thereby secure Presidential recognition of our own dislike for the word default (however inapplicable). If President not only cannot control Congress but sides with Congress, it would be impossible to justify any further payment to our public opinion.

5. On the other hand if you mean to suggest some new offer on our part, difficulty is that (a) our own public are hardening more and more against any continuance of payments, and (b) even if His Majesty's Government felt able to make an offer, in present American political conditions any offer which we might be prepared to make would clearly stand no chance of acceptance and would probably be rejected with contumely. Such rejection would produce or intensify here the ill-will which you would deprecate and would make much more difficult any resumption of negotiations in future.

6. Thus, so far as can be seen at present, only course open to us after Johnson Bill is to suspend payment completely until President has obtained adequate authority to negotiate a reasonable revision. While naturally we have no desire gratuitously to embark on bad relations with America or any other country, we must not forget that the United States may well be confronted with international situation in which good-will towards themselves may be of great importance. In any case such trouble as there may be is forced on us by impotence of President and obstinacy of Congress.

7. A factor in easing the situation might be some new and satisfactory pronouncement by President. We do not however propose to take the initiative and leave him no alternative but to make pronouncement for which time is not in his opinion opportune. Nor do we wish to put him in a position in which he might feel bound to ask us to resume negotiations prematurely. We should rather wait events and see if situation alters during next six weeks. It may be that if President can get rid of Congress he may be in a freer position to make some helpful statement. Therefore, though we recognise that some discussion may be inevitable before June 15 we do not wish to start it at the present. Our present policy is to sit tight and to leave the solution to be decided in the light of situation at the beginning of June.

8. In so far as you may be able to collect impressions without any sort of formal enquiry, we should of course be glad to have them, and in any case we would like to have a considered review by yourself of the situation for consideration by the Cabinet towards the end of May.

No. 578

*Sir J. Simon to Sir R. Lindsay (Washington)*

*No. 114 Telegraphic [A 3387/383/45]*

FOREIGN OFFICE, May 1, 1934, 2.20 p.m.

Your telegram No. 134<sup>1</sup> does not lead us to modify views expressed in my telegram No. 113.<sup>2</sup>

Any argument from our Budget surplus is alike fallacious and disingenuous for the surplus is simply a measure of the unprecedented sacrifices made by this country. You will remember that even United States Treasury agreed last October that in relation to national wealth British taxation was approximately twice as heavy as that of United States. Moreover His Majesty's Government have done everything they could to cut down expenditure while United States are deliberately piling it up. If United States were to cut down expenditure and tax their people anything approaching what we have done, they would also have a Budget surplus. We ourselves suspended our own debt claims when we were in deepest difficulty, and apart from any question of figures, we could never admit that our surplus should be drawn upon for paying debts to United States because she refuses to make comparable sacrifices.

<sup>1</sup> No. 576.

<sup>2</sup> No. 577.

No. 579

*Sir R. Lindsay (Washington) to Sir J. Simon*  
*(Received May 4, 9.30 a.m.)*

*No. 139 Telegraphic [A 3513/383/45]*

WASHINGTON, May 3, 1934, 7.20 p.m.

Your telegrams Nos. 113<sup>1</sup> and 114.<sup>2</sup>

I hope you will allow me to revert to question of debts as I should be sorry if my case were to fall to the ground through having been inadequately stated.

2. I agree with nearly all the reasoning in your telegrams but I base my case on state of public opinion here which as in other countries is not necessarily founded on pure reason but which cannot any the less be wisely ignored.

3. It is true that United States Government may conceivably need our goodwill earlier than we may need theirs, but that is a bad chance on which to found a policy; and I find it difficult to believe that any international crisis can arise in any part of the world in which the existence of ill-feeling between His Majesty's Government and United States Government will not be a factor of the utmost inconvenience and even of danger. I am most anxious

<sup>1</sup> No. 577.

<sup>2</sup> No. 578.

that everything possible should be done in advance to avert or minimize that ill-feeling.

4. I should regard it as most unfortunate that His Majesty's Government should have the appearance of welcoming an opportunity to discontinue all payments on debt and that too without even attempting any discussion with United States Government. My own conversations with officials here have always been studiously casual. It is sure to transpire either here or in London that no attempt at discussion has been made by us. That we should abstain from discussion and pay something is reasonable and it may be virtually so that we should discuss and then decide that we cannot pay anything. But that we should neither pay anything nor discuss at all puts us in a most unfavourable attitude, and one which other Governments may be expected to adopt towards His Majesty's Government in far less justifiable circumstances.

5. If you instruct me to see the President I could not confidently predict what would pass. I think it likely that he will say he regrets action of Congress but that he was and is unable to influence it on this point and that we must do the best we can. I think it unlikely that he will propose further debt negotiations now. As Senate has not yet begun to discuss Tariff Powers Bill Congress is likely to continue sitting till June. And I do not foresee anything that is likely to happen in the immediate future to affect the situation. President's present plan is to go to Hawaii in a man-of-war at the end of June and to stay away from Washington for two months.

6. There is considerable feeling in this country that His Majesty's Government would be acting meanly in desisting from all payments on debts at a moment when they have a budget surplus. I agree with all you say as to nature of this argument and as to the reasons for existence of our surplus and of United States Government's deficit. But we have to deal with public opinion here as it is and not as it ought to be. That it is unfavourable on this point is confirmed to me independently by British Library of Information and by His Majesty's Consul-General at New York. I noticed it myself during a short week-end visit there and even Secretary of English-speaking Union has been talking critically. I am told that 'Times' correspondent notices it here (I have not seen him but will telegraph again to confirm or otherwise). It is also noticeable that Hearst press which has hitherto been friendly to us has lately veered completely round and is abusing us in its usual style for defaulting. I do not attach too much intrinsic importance to this, but these papers usually have a good instinct as to the trend of public opinion.

7. I regard state of public opinion in England as having a very important bearing on this question. If it is such as to make any further payment by His Majesty's Government impossible there is of course nothing more to be said. If it were quite unanimously opposed to any further payment this would have an impressive effect here. But if the decision of His Majesty's Government not to pay any more could be represented as taken by a Government majority only, and if dissentient opinions made themselves heard, these



latter would be telegraphed over here and would exacerbate the situation. For instance even Wedgwood's opinions voiced in the House of Commons<sup>3</sup> are already being quoted widely. I notice Samuel's speech in the House on April 17<sup>4</sup> suggests that he will oppose complete discontinuance of payments. May I enquire whether there are not a great many bankers and economists of repute who would express similar views? On the other hand to make one final payment might be the best way of ensuring substantial unanimity of opinion in England. For no one could seriously maintain that we should indefinitely continue periodical payments of any amount however small, once we are put in default.

8. I have duly noted you would wish to have my views on the situation at the end of May. I hardly expect that anything will happen between now and then to affect the situation. I would point out that on May 15 United States Government may be expected in ordinary course to address us a formal note reminding us of payment due on June 15 and it appears to me that after that His Majesty's Government can address a note to United States Government expressing their decision at any time that is convenient to themselves.

9. Whatever that decision may be I am at present of opinion that note should be a fairly full defence of attitude adopted by His Majesty's Government rather on the lines of the note of December 1, 1932,<sup>5</sup> bringing things up to date, but not so long. It is important that difficulty of transferring great sums should be made clear once again. If it were decided that a further payment should be made it should of course be made clear that it was final pending revision and that it was without any legal or other implications. In these circumstances I find it difficult to believe United States Government would reject payment. If they did it would conduce to our advantage rather than involve us in disrepute.

<sup>3</sup> Colonel Wedgwood spoke in the House of Commons on the Budget proposals on April 19. See Parl. Deb., 5th ser., H. of C., vol. 288, cols. 1158-64.

<sup>4</sup> The reference is to Sir H. Samuel's speech on the Budget on April 18. See *ibid.*, cols. 991-1005.

<sup>5</sup> Printed in Cmd. 4210 of 1932.

## No. 580

*Sir R. Lindsay (Washington) to Sir J. Simon*  
(Received May 7, 9.30 a.m.)

*No. 144 Telegraphic [A 3549/15/45]*

WASHINGTON, May 6, 1934, 8.19 p.m.

State Department has issued opinion of Attorney-General on bearing of Johnson Act. Seven questions were asked and answers given are quoted in full. The most important to His Majesty's Government is the first question—what Governments are in default on their obligations to United States Government.

The Attorney-General points out that word default is commonly used in wide and loose sense but must be construed more narrowly when found in a penal statute which must be interpreted against imputation of criminality to an act not evil in itself. It is thus necessary to seek probable intentions of Congress. The opinion quotes the President's statement of November 7, 1933<sup>1</sup> and refers to that of June 1933<sup>2</sup> and points out various Governments made partial payments with the expectation and belief that they would thereby avoid default. The Attorney-General then quotes references made to this question in speeches made in House of Representatives (see my despatch No. 426<sup>3</sup> of April 5) and says Mr. MacReynolds was in charge of the Bill and therefore under ruling applied in Courts in considering such proceedings this apparent view that Great Britain is not in default is entitled to special weight. Moreover the President by signing the Bill participated with Congress and his view is of great significance. He could not have believed Great Britain and other token-paying Governments to be in default and the Attorney-General concludes that at present they are not so, under the terms of the Act. A foreign Government is in default if it has failed in its obligations unless such default has been postponed or waived in competent manner or by a transaction having that effect in law or good morals. Should an administrative declaration be issued that the named countries are or are not in default Department of Justice would follow such a view and it is reasonable to believe that Courts would honour any such administrative determination.

Other questions deal with nature of transactions affected by Act, with position of dependencies and municipalities, and with the position of Soviet Government. The latter is categorically stated to be in default under the Act notwithstanding pendency of any negotiations for settlement of debt question.

In the opinion as published no specific reference whatever is made to Governments which have not made token payment and their position is left to inference.

I am sending by mail copy of this astonishing document<sup>4</sup> which His Majesty's Government will doubtless read with a sardonic smile.

<sup>1</sup> See Volume V of this Series, Enclosure 3 in No. 602.

<sup>2</sup> Ibid., Enclosure 3 in No. 581.

<sup>3</sup> Not printed. This despatch enclosed an extract from the Congressional Record of the debate on the Johnson Bill in the House of Representatives on April 4.

<sup>4</sup> This memorandum by the Office of the United States Legal Adviser is printed in *Foreign Relations of the United States, 1934, Vol. I, pp. 528-32.*

*Sir R. Lindsay (Washington) to Sir J. Simon*  
(Received May 10, 10.30 a.m.)

No. 146 Telegraphic [A 3677/383/45]

WASHINGTON, May 10, 1934, 1.4 a.m.

My telegram No. 144.<sup>1</sup>

War debt situation is now very confused.

1. On Monday<sup>2</sup> Senator Johnson spoke in Senate.

The central point of his speech was that whether or no Attorney-General's ruling regarding token payments was correct, it dealt with past, and that a different situation arose as regards payments due in June. The Johnson Act specifically referred to default not only on the whole but 'on any part' of obligations. He assumed therefore that there was now an end of token payments. In any case it would be a perfect absurdity to accept a token payment from a country which boasted a surplus on its budget.

Senator Lewis spoke in similar sense. There was no further debate. Text will be sent by bag.

2. Czechoslovak Minister informs us that he asked Secretary of State privately what the attitude of United States Government would be towards acceptance of token payments in June; without knowing this he did not know what advice to give his Government, since offer of token payment could not be made if it was likely to meet with a snub. Mr. Hull could not give any definite reply and suggested he should repeat his question after a few days when the situation was clearer.

3. Part of press today<sup>3</sup> contains statement that President has decided that token payments will not be accepted in June as averting default. Some papers state that the President's forthcoming debt statement<sup>4</sup> will offer the Finnish terms to all debtor nations.

4. At press conference today the President is reported to have said that the press statements mentioned above were unauthorised, that it was still open at any time for debtors to approach their creditor, that position was unaltered by the Johnson Act, that he had accepted token payments last year but that whether they could be accepted again depended on circumstances ruling when the offer was made.

5. Willmott Lewis<sup>5</sup> tells me that a close friend of Senator Borah told him today that the President had informed Senator Borah that his debt message would consist of (a) a general review of debt situation, (b) a statement that token payments would no longer be accepted, and (c) a statement that no further legislation on the matter was required at present.

According to Lewis' informant President had hoped to submit settlement

<sup>1</sup> No. 580.

<sup>2</sup> May 7.

<sup>3</sup> This telegram was drafted on May 9.

<sup>4</sup> Sir R. Lindsay reported on May 5, in Washington telegram No. 142, that at a press conference the previous day the President had said that he would send a message to Congress regarding war debts within two weeks. He gave no further particulars.

<sup>5</sup> Washington correspondent of 'The Times'.

with Finland to Senate, but had now decided that state of feeling in Congress was such that he could not even do this.

6. I think position probably is that the President has come as yet to no final decision but is sending up various trial balloons to see what the reaction will be. I am afraid feeling in Senate is running strong against any concessions and that this may influence the President to take a much harder line than he personally wishes. In the meantime there seems to be nothing for His Majesty's Government to do but to await President's message.

**No. 582**

*Sir J. Simon to Sir R. Lindsay (Washington)*

*No. 126 Telegraphic [A 3513/383/45]*

FOREIGN OFFICE, *May 10, 1934, 7.30 p.m.*

1. Your telegram No. 139<sup>1</sup> has been fully considered but since it was despatched two things have happened which have altered the situation in a way not then contemplated. The first is the opinion of the Attorney-General on the effect of the Johnson Bill, the second is the report of the President's intention to ask Congress to give him power to conclude a general settlement on the lines of the proposed terms for Finland.

2. We<sup>2</sup> know by experience that it is difficult to prophesy beforehand what the President will do and we do not assume that these reports are correct. But if they should prove to be even approximately accurate a very difficult situation seems likely to arise.

3. The Finnish terms would require payments from this country of between \$76 millions and \$106 millions a year for 30 years—figures which we could not possibly contemplate even putting before the House of Commons where, as in the country generally, opinion has hardened against what they regard as an unreasonable and intolerable attempt to make us pay our creditors while receiving nothing from our debtors.

4. The Finnish terms are really not applicable to the major European Powers, since the amount of the Finnish debt was originally so insignificant as to raise none of the well known difficulties which have formed the subject of previous communications. Any terms which we could accept must be based on principles of equity as between debtor and debtor as well as between debtor and creditor and must also fully recognise the above-mentioned difficulties.

5. We have considered whether in these circumstances it would be advisable to give the President any warning that such a proposal would bring about a situation of acute tension at a peculiarly difficult moment having regard to the situation in Geneva and also that in the Far East. On the other hand it is possible that the President may have no such intention or, if he had,

<sup>1</sup> No. 579.

<sup>2</sup> This telegram was sent at the request of the Chancellor of the Exchequer.

that he has abandoned it and the latest press reports suggest that this is the case. An approach to the President would only be desirable if there is in your view a real risk that we shall be faced with an ultimatum and on this question we should like to have your views as soon as possible.

6. In any case, and whatever be the nature of the President's message, it appears to us very unlikely that it would be possible to agree upon a final settlement before June 15. The question therefore arises what is to be done then. Here the Attorney-General's opinion has a bearing on the case. Since we are pronounced non-defaulters there seems no reason why we should not on the same conditions as before make one more token payment, which however we should not be prepared to increase over the payment last made.

7. Press reports, however, and in particular those of the Washington correspondent of the 'New York Herald Tribune', seem to indicate that Congress would bar any future token payments. If this be so, the situation is obviously again rendered more difficult and if general default is to be avoided the President must leave open the door for a continuance of token payments.

**No. 583**

*Sir R. Lindsay (Washington) to Sir J. Simon*  
(Received May 12, 9.0 a.m.)

*No. 150 Telegraphic [A 3755/383/45]*

WASHINGTON, May 11, 1934, 7.40 p.m.

Your telegram No. 126.<sup>1</sup>

All the newspapers this morning report that representatives of various token Governments had enquired of State Department as to future of token system and had received authoritative replies. I therefore felt it incumbent on me to enquire by telephone if this was true and on receiving affirmative reply I called on Mr. Phillips. I told him I had come in consequence of press reports mentioned above and without any instructions. What was the statement he had to make?

2. Under Secretary of State said that situation had been changed by Johnson Act. Hitherto the Administration had held that token payments absolved Governments paying them from default. In view of Attorney-General's opinion they could hold that this was the position up to the present moment, but Johnson Act made it impossible to maintain this view for the future and any Government failing to pay in full the instalment of June 15 would have to be regarded as in default. The President was nevertheless anxious to keep the door open for any possible arrangement and would at all times be ready to receive any proposals from debtor Governments.

3. I pointed out that December instalment fell due before any arrange-

<sup>1</sup> No. 582.

ment with regard to debt, if made with the Administration, could possibly be submitted to Congress, which after adjournment next month will only reassemble in January next. Was I right in assuming that to avoid default the Government would have to be prepared to pay at least next two instalments? To this he assented.

4. I then asked what was the bearing on question of default of unpaid arrears of past two instalments in respect of which token payments had been made. Would those arrears have to be paid up in June in order to avoid default? He replied that this question had not been raised before and he had not examined it. He thought that probably their payment next month would not be necessary in order to avoid default, though of course they could not be regarded as in any way cancelled. He would obtain a ruling on this point.

5. I then felt sorry I had raised the question at all (though doubtless one or other of my colleagues will raise it anyhow) and said that the whole matter of war debts had now become so ridiculous that in the interest of international good relations it would seem advisable to make it as ridiculous as possible. To this he expressed assent.

6. I asked if repercussions of situation now being created on international relations had been in the President's mind and he replied that they had been very present in the mind of the State Department.

7. I then mentioned that according to press reports the President might be meaning to present the Finnish settlement to debtor Governments and recommend them to accept its terms for themselves. Though I had no official information as to nature of those terms an unofficial account of them which I had seen would indicate that if applied to debt of His Majesty's Government they would involve latter in annual payment of a sum up to \$106,000,000. If he would remember discussions last autumn with Sir F. Leith-Ross<sup>2</sup> he would realise that a suggestion of this nature would not help the situation *vis-à-vis* His Majesty's Government. Under-Secretary replied that the President had not yet so far as he knew decided definitely what he would do as regards Finnish settlement. He had announced a message to Congress on debts for immediate future but he might decide not to present Finnish settlement in it, or to present it separately and to make his message into a mere report on debt situation in general for which the Department had lately furnished him with all the material.

8. After returning to the Embassy Under-Secretary telephoned to me to say that the President was likely to make statement this afternoon at his regular press conference and I might think it advisable to defer report to you till then. I think, however, that this conversation should be reported to you as it passed.

<sup>2</sup> See Volume V of this Series, Nos. 592-603.

No. 584

*Sir R. Lindsay (Washington) to Sir J. Simon*  
(Received May 12, 9.30 a.m.)

No. 152 Telegraphic [A 3739/383/45]

WASHINGTON, May 11, 1934, 11.56 p.m.

My telegram No. 150,<sup>1</sup> last paragraph.

'The Times' correspondent tells me that nothing particular transpired at President's Press Conference today. Asked whether he had anything to say about 'tokens' he replied 'nothing'. His position was unchanged. They must enquire at State Department for further particulars. Asked what if some Governments offered a more substantial payment he said that they were as always free to approach him at any time and his view was as before. Asked whether any Government had approached him for new negotiations, he replied, that none had. He then added, as background not for publication, 'Ever since I assumed office and even before persistent attempt has been made to gang me into a general conference with debtors. I have steadily refused but I am always ready to treat with them individually.'

I have no notion what this last statement can refer to.

Correspondents all went round to State Department and after some delay were told that there was no statement for them today.

<sup>1</sup> No. 583.

No. 585

*Sir R. Lindsay (Washington) to Sir J. Simon*  
(Received May 14, 9.30 a.m.)

No. 154 Telegraphic [A 3756/383/45]

WASHINGTON, May 13, 1934, 8.23 p.m.

My telegram No. 150.<sup>1</sup>

My Czechoslovak colleague has during the past week persistently questioned State Department as to whether under Johnson Act and Attorney General's opinion partial payments would as heretofore exempt paying Governments from default. On May 8 Secretary of State told him that if he had asked two days earlier he would have answered without hesitation in the affirmative but that after Johnson speech in the Senate he did not know what to say. On May 9 Czechoslovak Minister found much doubt prevailing at State Department and he received statement in the morning which was reversed in the afternoon. On May 10 he received definitely<sup>2</sup> statement which I received on May 11 (my telegram referred to above), only difference being that he was told no doubt in reply to his question that further partial payments would be acceptable although they would not exempt paying

<sup>1</sup> No. 583.

<sup>2</sup> This word was later amended to read: 'definite'.

Governments from default. State Department would acknowledge them in just such notes as were written last December or June but without the phrase as to President's personal view on default. That is to say default would be left to be inferred and would not be specifically stated.

2. My Italian colleague has also received the impression that further partial payments would be acceptable.

3. It may perhaps be inferred that Attorney General's opinion was meant as a *ballon d'essai* to see how far congressional opinion would allow Administration to go towards clearing up the situation created by Johnson Act. In the event, one speech by Johnson himself, supplemented doubtless by messages from individual politicians, was enough to make Administration beat a hasty retreat.

4. It is also allowable to infer that President now desires to get some partial payments in order to minimise strain on international relations that may be expected.

5. I should mention that there are persistent suggestions that French Government are seriously thinking of now putting in some partial payment. My French colleague is naturally very reserved but admits that something is in the air. It would seem that by acting so, French Government might succeed in placing itself ostensibly and at a cheap rate on the same footing with token Governments and this would be an excellent thing from the point of view of general international relations.

6. If above is so it might account for President's curious and unexpected outburst against united front (my telegram No. 132)<sup>3</sup> which has been reported in all the papers. If he is working to get the French Government up to the mark he must simultaneously make it clear that he is still opposed to joint negotiations.

7. It is now being suggested that President may not submit his Finnish Treaty to Congress at all this session, opinion having hardened so much that Senators dread principle of even partial remission even to Finland.

8. It is also in the air that message or report to Congress on debts may be delayed. On May 4 President told the Press it would be delivered within a fortnight. On May 11 he would only say its delivery was now one week nearer than when he was last asked. He may thus be trying to exert pressure on debtor Governments, who may feel impelled to hasten on some action with a view to influencing favourably tone of his message. On the other hand I should think he would hardly be able to refrain from sending any message at all (though here I may be wrong) and he certainly wants to get Congress to adjourn before June 15. I mention considerations in this paragraph in case they have a bearing on plans of His Majesty's Government.

<sup>3</sup> The reference is presumably to Washington telegram No. 152 (No. 584). Washington telegram No. 132 of April 24 was on a different subject.



*Sir J. Simon to Sir R. Lindsay (Washington)*

*No. 129 Telegraphic [A 3755/383/45]*

FOREIGN OFFICE, *May 15, 1934, 9.50 p.m.*

1. Your telegrams Nos. 150<sup>1</sup> and 152<sup>2</sup> have been considered by Ministers.<sup>3</sup>  
2. The position now appears to be that we must either pay the full instalments or be branded as defaulters. In these circumstances we do not understand the significance of the statement that the President is anxious to keep the door open and is ready to receive any proposals from debtor Governments, since it would appear (1) that the only proposals we could make would be for some final settlement and (2) that Congress is not willing to consider any revision of the existing terms. In our note of November 6 last<sup>4</sup> we offered to resume negotiations on the general question whenever after consultation with the President it appeared that this could usefully be done: but we presume that in view of above-mentioned facts the President would agree that it cannot usefully be done at present.

3. We informed the United States in 1932 that we could not resume payments under existing funding agreement and we are not prepared to recede from that decision. The alternatives now open to us are either to continue token payment or to suspend payments entirely. We made token payments last year to maintain friendly atmosphere pending possibility of revision but only because President issued statement saying that he personally did not regard us as in default. Under this system we paid the United States Government fifteen million dollars, while we claimed nothing from our own debtors: but Congress, so far from appreciating the gesture, is putting us for the future in the same position as those who have paid nothing at all. If the attitude of Congress is to prevail and President can no longer accept token payment as absolving us from default, we can see no justification for paying anything.

4. Before arriving at a final decision as between the two alternatives open to them, His Majesty's Government desire you to seek a personal interview with the President. You should put to him the above considerations and say that His Majesty's Government would have been willing to continue token payments if, in return, he were able to issue personal statement similar to that issued in June and December last to the effect that he did not regard us as being in default. You should ask him definitely whether he is willing or able to do this. If not, you should say that you anticipate that His Majesty's Government will feel that their only course is to suspend payments entirely until a final settlement can be reached of the whole question, and that they will probably wish to send a formal note setting out their reasons for this course.

<sup>1</sup> No. 583.

<sup>2</sup> No. 584.

<sup>3</sup> This telegram was sent at the request of the Chancellor of the Exchequer.

<sup>4</sup> See Volume V of this Series, Enclosure 1 in No. 602.

*Sir R. Lindsay (Washington) to Sir J. Simon*  
(Received May 17, 9.30 a.m.)

*No. 156 Telegraphic [A 3854/383/45]*

WASHINGTON, May 16, 1934, 11.20 p.m.

Your telegram No. 129.<sup>1</sup>

1. Mr. Norman Davis proposed himself to lunch with me today and talked to me a good deal about disarmament but had nothing very important to say about it.

2. I told him I had asked to see the President about debts and he expressed great pleasure. He said he had been speaking to the President yesterday and had suggested he should send for me for a talk and President had said that probably he would. Mr. Norman Davis said he had told the President that debts which in themselves were a question of no importance had now come to be an insuperable obstacle to solution of three great questions, viz: disarmament, stabilization and tariff reductions.

3. After lunch he said it was up to debtor to approach creditor and could not His Majesty's Government in general interest take broad view and continue token payments even though declared in default. To this I returned an indignant answer and he immediately withdrew the suggestion but continued 'to think aloud' as he put it and said 'could not your Government make one more payment to preserve good-will and to keep the question open. It would have to be bigger than your tokens—say half the instalment due—but you would pay in silver and politicians interested in silver who are very influential would be very pleased.' I said that in England this would be regarded as throwing more money down the drain. He then went on to say how immensely attracted the President would be by any idea in the way of keeping debt question open in some way with a view to arranging Anglo-American co-operation over tariffs stabilization and disarmament but this was completely vague.

4. I told him nothing at all as to nature of what I had to say to the President and all my remarks were of an obvious nature.

5. From various minor indications I feel fairly sure that Mr. Norman Davis' visit to me was made with the President's approval or at his instigation and that suggestion mentioned in paragraph 3 was more or less inspired, although he declared it was entirely his own personal idea. But I read your telegram No. 129 as not authorizing me to angle for any suggestions from the President when I see him tomorrow and I shall act accordingly unless you telegraph urgently otherwise.

<sup>1</sup> No. 586.

Sir R. Lindsay (Washington) to Sir J. Simon  
(Received May 18, 10.30 a.m.)

No. 158 Telegraphic [A 3928/383/45]

WASHINGTON, May 18, 1934, 2.0 a.m.

1. I saw the President this afternoon.<sup>1</sup> He began by pointing out with some force that it is the function of a debtor to approach creditor, and that he himself and State Department too were therefore officially quite unable to make suggestion. Conversation must therefore be one between two old friends, and not between an Ambassador and a President, and it must be regarded as strictly personal and confidential. I hope therefore that nothing that the President said will be allowed to transpire.

2. Throughout the conversation he displayed his usual breezy optimism and amazing candour. His ideas were frequently quite haphazard and even self-contradictory, and his ignorance of economics was often evident. I myself avoided anything in the nature of recriminations.

3. He said with the utmost candour that it was entirely impossible for him in the present state of Congress opinion to accept token payments and express any personal absolution of defaulter. On this he was perfectly categorical. (? No less)<sup>2</sup> so on point that negotiations for a final settlement of debt question would be now quite futile. He could see perfectly well that natural course for His Majesty's Government to take now must be to discontinue payments and this must involve 'default'. He did not see how it could be evaded. He quite understood His Majesty's Government must send in a note about the situation. The general sense of all he talked was that His Majesty's Government could not really be expected to go on paying *ad infinitum* on treaty scale.

4. He laid great emphasis, again and again, on the dangers of present international position both in Europe and in the Far East. He had recently heard from an excellent source that in Europe the situation is more tense now than in 1914. He emphasised repeatedly the necessity of conserving good relations between the British Empire and the United States so that they should stand together to deal with any crisis that might arise. As illustrating direct bearing of debt question on this situation he actually said that both His Majesty's Government and United States Government must now conserve their resources in order to be able to face that crisis. He actually said 'you have not yet completed Singapore and please let us know when you have'.

5. He said the word 'default' was a very ugly one and as it could not now be evaded only thing to do would be to endeavour to direct (? distract)<sup>3</sup> attention from it and to turn that attention in other directions. His first suggestion was that His Majesty's Government should forthwith announce their intention of sending over to America a great and striking Mission to

<sup>1</sup> This telegram was drafted on May 17.

<sup>2</sup> The text is here uncertain.

<sup>3</sup> This emendation is suggested in pencil on the file copy of the telegram.

explore new methods of effecting payment or coming to a settlement over debts, and especially to examine the question whether payments in kind would not be possible, all this in connexion with powers for negotiating tariffs which he said were certain to be granted to him by Congress in a few days. The Mission should amongst other things be able to convey to the people of America some idea of difficulties of settling the debt question, both those which arise out of transfer problem and those connected with real state of British finance.

6. I expressed absolute horror at all this. I said that Prime Minister had come over only a year ago and where were we now? I could not conceive of His Majesty's Government being able to commit themselves now to sending out a Mission again. It would be ridiculous before it started. As to payments in kind I ascertained definitely that he was thinking of debt payments in goods. I pointed out fallacy of this method and how it did nothing to remove transfer difficulty. I said the Reparation Powers had exhausted their ingenuity in this line with highly unsatisfactory results, and begged him to consult his economic experts on the subject. They would be able to convince him that it was a fallacy.

7. I said that I did not think His Majesty's Government could be expected to go further than to refer to the prospect of his getting his tariff powers in their note, and indicate satisfaction at possibility that thereby international trade would be increased and the problem of debts by so much facilitated. He said 'All right, but they should make a great feature of point so as to divert attention from word default'. He also talked about possibilities of increasing triangular exchanges not realising that American Tariff renders these as impossible as direct exchanges.

8. His main object being to conserve Anglo-American friendship for crisis which he foresaw he said he thought His Majesty's Government should be prepared to make some payment on June 15 by way of keeping the door open and he thought it would have a very good effect here. I said opinion in England had so hardened that His Majesty's Government would not be able to see their way to making any payment at all if declared in default. He did not press his point merely saying that he had expressed his views. Indeed throughout the whole conversation he adopted the general attitude that he was willing as a friend to proffer suggestions with a view to helping, though as representing the creditor it was not his function to do so; and that if his suggestions were not acceptable or feasible it was not his business to press them.

9. He said payment of sum mentioned above might be made in silver and His Majesty's Government could then get credit for a larger sum than they would actually pay. I ascertained however that he was under the impression that provisions of Thomas amendment<sup>4</sup> were still in force. He then said he

<sup>4</sup> The Thomas amendment to the Farm Relief Act, passed on May 10, 1933, among other provisions, authorized the President to accept up to 100 million dollars in silver in payment of war debts, for a period not exceeding one year from the passing of the Act. For the text of the amendment see *Congressional Record*, 73rd Congress, 1st session, April 22, 1933, p. 2180.

thought that Congress might be willing to re-enact something on the same lines, but he was vague and unsure on the point and it is clear that if this matter were ever to come into serious consideration it would have to be taken up with experts.

10. As to note which His Majesty's Government would have to send in he said he would really like to draft it for himself. It ought not to be in diplomatic language but in as simple a style as possible so as to be comprehensible to ordinary people. Besides explaining difficulty of transfer it should give figures of British national debt absolutely and *per capita* and facts respecting taxation. The latter, he said, should be characterised as heaviest taxation known in history. The surplus realised this year should be referred to as result of unparalleled sacrifices. Resulting situation should be described as one of 'Social injustice' to the people (he repeated this more than once as very appropriate). And he actually recommended that His Majesty's Government should state in their note that in order to remove social injustice the burden on the British people must be lightened and that for some years to come the first charge on any surplus achieved ought to be reduction of burden of taxation.

11. The conversation lasted for nearly an hour and was very discursive. I have not attempted to put down what he said in the order in which he said it but I think I have covered all the points he made.

#### No. 589

*Sir R. Lindsay (Washington) to Sir J. Simon*  
(Received May 24, 9.30 a.m.)

*No. 162 Telegraphic [A 4017/383/45]*

WASHINGTON, May 23, 1934, 4.35 p.m.

My telegram No. 150.<sup>1</sup>

Paragraphs 4 and 5.

I met Under-Secretary of State last night at dinner and he told me that according to a ruling he had received from Attorney-General it would not be necessary for a debtor Government, in order to avoid default, to pay up on June 15 arrears of two last instalments on which token payments have been made. He said that he did not propose to send me any written communication to this effect.

2. He also said that President had been working on his debt message and it would probably be sent in by the end of this week.

You will however realise that the intentions of today are not necessarily the intentions of tomorrow.

<sup>1</sup> No. 583.

No. 590

*Sir R. Lindsay (Washington) to Sir J. Simon*  
(Received May 26, 9.30 a.m.)

No. 166 Telegraphic [A 4137/383/45]

WASHINGTON, May 25, 1934, 6.28 p.m.

Following for Sir F. Leith-Ross.

Your telegram No. 135.<sup>1</sup>

Mr. Phillips tells me the President is still working intermittently at message and he has been working with him at it. He does not know when it will come out. He does not expect it will contain anything the President did not say to me. It is likely to be mainly in the nature of a report to Congress but with some expression of the President's view on the general question of debts including statement that United States have the right to expect some substantial repayment of amounts lent.

My own view is that no new element of substance is to be expected in the message. Date probably depends on how much time the President can give to it. Tone will probably be cool but not unfriendly. I cannot think His Majesty's Government would be justified in hoping for anything in it that would be actually helpful.

<sup>1</sup> Not printed. This telegram of May 24 from Sir F. Leith-Ross asked for any information which Sir R. Lindsay might be able to obtain regarding the date and contents of the President's message to Congress on debts.

No. 591

*Sir R. Lindsay (Washington) to Sir J. Simon*  
(Received May 26, 10.0 a.m.)

No. 168 Telegraphic [A 4117/383/45]

WASHINGTON, May 25, 1934, 8.52 p.m.

My telegram No. 139,<sup>1</sup> paragraph 1.

I have today received formal request for payment due June 15, in following terms.

Begins—

I am requested by the Secretary of the Treasury to transmit to you a statement of the amounts due from your Government June 15, 1933, December 15, 1933 and June 15, 1934 under the provisions of the debt agreement of June 19, 1923 and the moratorium agreement of June 4, 1932 and to advise you that payment may be made either at the Treasury in Washington or at the Federal Reserve Bank of New York.

Statements of the amounts due from the Government of Great Britain—June 15, 1933, December 15, 1933 and June 15, 1934.

<sup>1</sup> No. 579.

<i>Amount due June 15, 1933:</i>	\$
Semi-annual interest due June 15, 1933.	75,950,000.00.
Less a partial payment of interest	<u>10,000,518.42.</u>
Balance due	<u>\$65,949,481.58.</u>

<i>Amount due December 15, 1933:</i>	\$
Principal instalments (11th payment) due December 15, 1933.	32,000,000.00.
Plus semi-annual interest due December 15, 1933.	75,950,000.00.
Plus first semi-annual instalment of the annuity due December 15, 1933 on account of the moratorium agreement of June 4, 1932 as authorised by a joint resolution of Congress approved December 23, 1931.	<u>9,720,765.05.</u>
Total	117,670,765.05.
Less partial payment of interest December 15, 1933.	<u>7,500,000.00</u>
Balance due	<u>\$110,170,765.05.</u>

<i>Amount due June 15, 1934:</i>	\$
Semi-annual interest due June 15, 1934.	75,390,000.00.
Plus interest accrued from December 15, 1933 to June 15, 1934 on principal instalments (11th payment) of dollars 32,000,000 which matured December 15, 1933.	560,000.00.
Plus 2nd semi-annual instalment of the annuity due June 15, 1934 on account of the moratorium agreement of June 4, 1932.	<u>9,720,765.05.</u>
Amount due	<u>\$85,670,765.05.</u>

Ends.<sup>2</sup>

<sup>2</sup> This note is printed in Cmd. 4609 of 1934.

## No. 592

*Sir R. Lindsay (Washington) to Sir J. Simon (Received May 28, 8.39 p.m.)*  
*No. 170 Telegraphic [A 4176/383/45]*

WASHINGTON, May 28, 1934, 1.52 p.m.

Debt.

President's message may now be expected at any moment. I presume I may at any moment be instructed by you to present a Note to United States Government. If when your instructions arrive message has already been delivered I should propose delay of presentation of the Note until you had had time to consider the message. Please take account of this point in any instructions you may send me.

2. It would thus be desirable that you should not announce despatch of any instructions to me until I am able to tell you that they have been carried out.

No. 593

*Sir J. Simon to Sir R. Lindsay (Washington)*

*No. 140 Telegraphic [A 4176/383/45]*

FOREIGN OFFICE, *May 30, 1934, 4.15 p.m.*

My immediately following telegram<sup>1</sup> contains the text of our Note on War Debts as approved by the Cabinet this morning. We should be glad to have any comments or suggestions which you may desire to make on the terms of the Note.

We see from the Press that the President will be absent from Washington from today till Monday morning and that his war debts message will be submitted to Congress this Friday.

I should be glad to have your view as to whether it is desirable that you should communicate to the President privately the gist of our Note before it is delivered, and should also enquire whether he desires any United States reply to be published simultaneously. If so, we propose that the Note should be delivered on Wednesday afternoon next June 6 and that a White Paper containing (1) the communication from the United States Treasury, given in your telegram No. 168,<sup>2</sup> (2) our Note and (3) if so arranged, any United States reply should be published on Thursday June 7 at 10.30 a.m. your time in Washington and about 3.0 p.m. our time in London. If you advise against any preliminary communication to President we propose that the Note should be delivered on Monday afternoon June 4 and the White Paper published on Tuesday June 5.

We should be grateful for an immediate reply on the above points, so that it may be considered before the week-end. We shall have to decide on Monday morning whether the President's message calls for any modification in the terms of our Note.

I propose to communicate the decision of His Majesty's Government as set forth in the Note confidentially to the French and Italian Ambassadors, and possibly to representatives of other countries who have enquired our intentions, the evening before the Note is published. A summary will also be communicated to the Dominion Governments and the Government of India.

<sup>1</sup> No. 594.

<sup>2</sup> No. 591.

No. 594

*Sir J. Simon to Sir R. Lindsay (Washington)*

*No. 141 Telegraphic [A 4176/383/45]*

FOREIGN OFFICE, *May 30, 1934, 5.50 p.m.*

Following is draft of Note to United States Government.

1. In their Note of December 1, 1932, His Majesty's Government<sup>1</sup> gave a full statement of the reasons which convinced them that the existing system

<sup>1</sup> The words 'in the United Kingdom' were later inserted at this point. (Foreign Office telegram No. 152 to Washington of June 1).



of intergovernmental war debt obligations had broken down. They pointed out the difference between these war debt obligations and normal credit operations for development purposes: they showed the economic impossibility of making transfers on the scale required by these obligations and the disastrous effect which any further attempt to do so would have on trade and prices: they emphasised the sacrifices which the British nation had made in this matter and the injustice of the difference between their funding settlement and those accorded to other debtors. They concluded that a revision of the existing settlements was essential in the interests of world revival and they urged that further payments should be postponed pending such a revision. Nothing that has since occurred has led His Majesty's Government to change the views they then expressed.

2. That the present settlement imposes upon the people of this country a burden which is both unreasonable in itself and inequitable in relation to the treatment accorded to other countries may be clearly seen from the following figures.

In respect of war advances totalling \$4,277,000,000, payments totalling \$2,025,000,000 have been made up to date by His Majesty's Government to the United States Government. Yet, despite these payments, the nominal amount of the debt still outstanding as at June 15, 1934, amounts to \$4,713,785,000.

Meanwhile, in respect of war advances totalling \$5,572,300,000 made by the United States Government to other European Governments, the aggregate payments made up to date amount to only \$678,500,000. Thus though the war advances to these other Governments exceed by one-quarter the advances made to the United Kingdom, the payments by the United Kingdom amount to three times what the United States Government has received from those other Powers.

On the other hand, His Majesty's Government are both a Creditor and a Debtor in regard to these intergovernmental obligations. They themselves made war advances to the Allied Governments totalling \$7,800,000,000: but they have paid over all receipts obtained in respect of these loans, as well as in respect of war reparations, to the United States Government and have paid nearly as much again out of their own resources.

Convinced that any resumption of payments on the past scale could not but intensify the world crisis and might provoke financial and economic chaos, His Majesty's Government have suspended their claims on their debtors, in the hope that a general revision of these intergovernmental obligations might be effected in the interests of world recovery. But it would be impossible for them to contemplate a situation in which they would be called upon to honour in full their war obligations to others while continuing to suspend all demands for the payment of the war obligations due to them.

3. The improvement which has taken place in the Budgetary situation of the United Kingdom in no way invalidates this conclusion. This improvement is due entirely to the unprecedented sacrifices made by the people of

this country. Since the war they have been carrying a burden of indebtedness amounting to approximately £8,000,000,000 or £170 per head of their population, about one-fifth of which represents the war loans made to the Allied Governments. To balance their Budget, they have for the past fifteen years been paying taxation on a scale for which it would be hard to find a parallel elsewhere. During the discussions which took place last October, the British representatives pointed out that in 1929 (the last year for which statistics were available) the total burden of taxation in the United Kingdom in relation to national wealth was approximately twice as heavy as that in the United States, and this statement was not contested by the representatives of the United States Treasury. This taxation, amounting to close on one-quarter of the national income, has involved a prolonged period of industrial depression and the maintenance ever since the War of an army of unemployed. Yet in order to restore the national credit in 1931, the people of this country accepted further and heavy increases in taxation, accompanied by rigorous control of expenditure and cuts in salaries and allowances of all kinds: and despite all these measures the Budget would have again showed a deficit last year had it not been possible to secure, by the conversion operation carried through in 1932, a reduction in the rate of interest paid on a large proportion of public debt. This reduction has enabled His Majesty's Government to remit a part of the emergency sacrifices imposed in 1931 and to restore a part of the cuts on salaries, and the whole of the cut in unemployment allowances, the continuance of which was imposing a severe strain on the national conscience. It would have been a gross act of social injustice to have denied this relief to the people of this country in order to pay war debts to the United States while suspending the war debt payments due to the United Kingdom.

4. But, although it is desirable that the internal budgetary position of this country should not be misunderstood, it is really irrelevant to the question of intergovernmental debt, the payment of which has to be related to the balance of trade and not to the volume of internal revenue. The revenues of this country are sterling revenues, whereas the debt payments to America have to be made in dollars or in gold. In order to secure the means of payment, therefore, any sums available in sterling would have to be transferred across the exchange. The attempt to transfer amounts of this magnitude would, as their immediate effect, cause a sharp depreciation of sterling against the dollar which, as His Majesty's Government understand, would not be consistent with the monetary policy of the United States Government. And in the long run such international transfers would be impossible without a radical alteration in the economic policies of the United States of America. Payment of debts implies the willingness of the creditor to accept goods and services sufficient to cover the debts due to him, over and above the goods and services required to cover his exports: and to make it possible for the United States to receive payment of their claims, it would be necessary to effect a complete reversal of the existing favourable balance of trade between their country and the rest of the world. In the case of the United Kingdom

the balance of trade is heavily unfavourable and the balance of accounts is not such that His Majesty's Government could contemplate the transfer of any substantial sum across the exchange unless it was compensated by equivalent receipts from the foreign debtors of this country. If this were done, sterling would not be affected by the payments to America but the burden would be thrown on the currencies of the European debtor countries thereby aggravating the present crisis which it is the object both of the United States and of His Majesty's Government to alleviate.

5. Thus the question of the British War Debt is only part of the wider question of the intergovernmental obligations resulting from the World War. As has already been pointed out, the United Kingdom while it was a debtor to the United States of America was itself a creditor for larger amounts from France, Italy and other ex-Allied Powers in respect of war debts, and these in turn are co-creditors with the United Kingdom of Germany in respect of reparations. These intergovernmental debts, as stated in the British Note of December 1, 1932, are radically different from the commercial loans raised by foreign Governments on the markets for productive purposes. War debts are neither productive nor self-liquidating and the unnatural transfers required for their payment would involve a general collapse of normal international exchange and credit operations. The Administration of the United States under President Hoover recognised this fact and initiated the moratorium on intergovernmental payments in 1931 in order to avert an immediate collapse. But the moratorium of 1931 caused another change in the situation; it made any resumption of the pre-existing reparation and War debt settlements impossible, and the revision of reparations embodied in the Lausanne Agreement was made subject to the conclusion of a subsequent agreement for the revision of War Debts.

6. It was with these facts in mind that His Majesty's Government approached the United States Government in December 1932 and the United States Government in their Note of December 7<sup>2</sup> welcomed their suggestion for a close examination between the two countries of the whole subject. After this exchange of notes His Majesty's Government paid the instalment due on December 1, 1932, in gold, explaining that this payment was not to be regarded as a resumption of the annual payments contemplated by the existing Agreement and that it was made because there had not been time for the discussion with regard to that Agreement to take place and because the United States Government had stated that in their opinion such a payment would greatly increase the prospects of satisfactory approach to the whole problem. In accordance with the arrangement then made, discussions took place, first, in the spring, and later in the autumn, of last year between representatives of the two countries and His Majesty's Government appreciate the sympathetic manner in which their representatives were listened to. But on both occasions it was found impossible to arrive at a settlement acceptable to the two Governments in the face of the unprecedented state of world economic and financial conditions. Accordingly the discussions

<sup>2</sup> Printed in Cmd. 4211 of 1932.

were adjourned and on June 15 and December 15, 1933, His Majesty's Government made token payments in acknowledgement of its debt, and the President expressed the personal view that he would not regard His Majesty's Government as in default.

7. In their Note of November 6 last His Majesty's Government expressed their readiness to resume negotiations on the general question whenever after consultation with the President it might appear that this could usefully be done. Unfortunately recent events have shown that discussions on the whole question with a view to a final settlement cannot at present usefully be renewed. In these circumstances His Majesty's Government would have been quite prepared to make a further payment on June 15 next in acknowledgement of the Debt and without prejudice to their right again to present the case for its readjustment, on the assumption that they would again have received the President's declaration that he would not consider them in default. They understand, however, that in consequence of recent legislation no such declaration would now be possible and if this be the case, the procedure adopted by common agreement in 1933 is no longer practicable.

8. His Majesty's Government are in fact faced with a choice between only two alternatives, viz: to pay in full the sum of \$262,000,000 as set forth in the communication from the United States' Treasury, dated May 25, or to suspend all interim payments pending the final revision of the settlement which has been delayed by events beyond the control of the two Governments. Deeply as they regret the circumstances which have forced them to take such a decision, His Majesty's Government feel that they could not assume the responsibility of adopting a course which would revive the whole system of intergovernmental War Debts payments. As already pointed out the resumption of full payments to the United States of America would necessitate a corresponding demand by His Majesty's Government from their own War Debtors. It would recreate the conditions which existed prior to the world crisis and were in large measure responsible for it. Such a procedure would throw a bombshell into the European arena which would have financial and economic repercussions over all the five continents and would postpone indefinitely the chances of world recovery.

9. Accordingly His Majesty's Government are reluctantly compelled to take the only other course open to them. But they wish to reiterate that while suspending further payments until it becomes possible to discuss the ultimate settlement of intergovernmental War Debts with a reasonable prospect of agreement, they have no intention of repudiating their obligations and will be prepared to enter upon further discussion of the subject at any time when in the opinion of the President such discussion would be likely to produce results of value.

No. 595

*Sir R. Lindsay (Washington) to Sir J. Simon*  
(Received May 31, 9.30 a.m.)

No. 176 Telegraphic [A 4321/383/45]

WASHINGTON, May 31, 1934, 12.10 a.m.

Your telegram No. 140.<sup>1</sup>

1. I have received your draft note on debts and will submit a few amendments in a separate telegram.

2. It is far from certain that President will send his message on Friday. At his press conference this morning he was completely non-committal.

3. I am distinctly averse to communicating substance of your note to President beforehand.

There is nothing in it that is likely to surprise him; I think very probably he will not wish to send any answer to it at all; and it might even be embarrassing to him to receive foreknowledge of it as this might convey implication that his approval of it would be involved.

4. Unless otherwise instructed I propose therefore to present note (amended if you approve) on Monday afternoon June 4 and to arrange for publication here Tuesday morning.<sup>2</sup>

I hope you will not allow the fact to transpire that its text is already in my hands.

<sup>1</sup> No. 593.

<sup>2</sup> Sir R. Lindsay was informed in Foreign Office telegram No. 149 of June 1 that this proposal was approved.

No. 596

*Sir R. Lindsay (Washington) to Sir R. Vansittart*  
(Received May 31, 9.30 a.m.)

No. 177 Telegraphic [A 4322/383/45]

WASHINGTON, May 31, 1934, 12.10 a.m.

My immediately preceding telegram.<sup>1</sup>

Following are amendments and corrections proposed.

1. Paragraph 2 for January 15 substitute June 15.<sup>2</sup>

2. Paragraph 3 sub paragraph 1, for 8,000,000,000 dollars [*sic* ? pounds] substitute 40,000,000,000 [dollars] and for £170 substitute 850 dollars.

3. The same sub-paragraph, passage beginning 'to balance' down to 'army of unemployed'. My observations on this are (a) that 1929 is rather a remote date and as American income has since then fallen more rapidly than British specific mention of that date might provoke rejoinders. Also we

<sup>1</sup> No. 595.

<sup>2</sup> The Foreign Office copy of the draft note read: 'June 15'. See No. 594.

must not mention United States Treasury acquiescence in our statement as the President feels some animus against Acheson and would probably be irritated by the reference. Finally in regard to unemployment, as it is now worse here than in England we should emphasise, not its volume so much as the fact that it has lasted so long. I therefore suggest following as substitute for this passage:—‘they have balanced their Budget and even realised a surplus by painful process of reducing expenditure and increasing taxation. For 15 years they have been paying taxation on a scale for which it will be hard to find a parallel elsewhere. At certain moments, during this period total burden of taxation in United Kingdom in relation to national wealth has been approximately twice as heavy as that in the United States and even today it is still (? much)<sup>3</sup> more onerous. This taxation amounting to close on one quarter of the national income has aggravated the depression over a prolonged period and resulting unemployment and its necessary relief have constituted a formidable problem to the national finances ever since the War ended.’

4. Paragraph 6. For December 1 substitute December 15.

<sup>3</sup> The text is here uncertain.

**No. 597**

*Sir R. Vansittart to Sir R. Lindsay (Washington)*

*No. 150 Telegraphic [A 4322/383/45]*

FOREIGN OFFICE, *June 1, 1934, 2.30 p.m.*

Your telegram No. 177.<sup>1</sup>

1 and 4. We agree.

2. The wording should be ‘£8,000,000,000 (40,000,000,000 dollars)’, and ‘[£]170 (850 dollars)’.

3. This passage should read: ‘they have balanced their budget and even realised a surplus by painful process of reducing expenditure and increasing taxation. For 15 years they have been paying taxation on a scale for which it would be hard to find a parallel elsewhere. During the whole of this period the burden of taxation has been higher in the United Kingdom, and for a considerable part of the period twice as high, as in the United States of America, including all Federal, State and Local Taxation. This taxation amounting to close on one quarter of the national income has aggravated the depression over a long period and the necessity of maintaining the army of unemployed resulting from this depression has constituted a formidable problem to the national finances ever since the war ended.’

4. In paragraph 7 ‘June next’ should now read ‘June’.

<sup>1</sup> No. 596.

*Sir R. Lindsay (Washington) to Sir J. Simon (Received June 2)<sup>1</sup>*

*No. 180 Telegraphic [A 4418/383/45]*

WASHINGTON, June 1, 1934<sup>1</sup>

Your telegram No. 140.<sup>2</sup>

President's debt message was sent to Congress today.

Message, which is fairly lengthy document, starts by saying that the Executive has made no formal communication to Congress on the matter since December 1931, and then gives objective review of history of the question since then. As regards Great Britain message quotes in full paragraphs 4 to 7 inclusive of British Note of December 11 1932<sup>3</sup> and Mr. Stimson's reply<sup>4</sup> that acceptance of payment cannot constitute approval of any condition inconsistent with terms of agreement. French resolution refusing payment and requesting convocation of general debt conference is then referred to, and in this connexion principles previously laid down by United States Government are repeated, viz. that loans were made with the intention they would be repaid, that debtor governments would be dealt with individually, that debt settlements took into consideration debtors' capacity to pay, that debts to United States of America have no relation to reparations, that individual debtors should have free access to the creditor. The payments and non-payments of December 1932 are then set out. Discussions with Great Britain in spring of 1933 are then mentioned, British notice of payment of dollars ten million as acknowledgment of debt, and Acting Secretary of State's reply that reduction etc. of debt is not within President's discretion. President's statement that he would not characterize situation as default is quoted. Mention is made of silver payments and requests for discussion by most of the debtors. Discussions with Great Britain in October 1933 are then referred to: 'These discussions made clear the existing difficulties and the discussions were adjourned'. British payment is then stated and President's statement again that he would not regard Great Britain in default. Message ends textually as follows: 'At the present time Finland remains the only foreign Government which has met all payments on its foreign indebtedness to the United States punctually and in full.

'It is a simple fact that this matter of the repayment of debts contracted to the United States during and after the world war has gravely complicated our trade and financial relationships with the borrowing nations for many years.

'These obligations furnished vital means for the successful conclusion of a war which involved the national existence of the borrowers, and later for a quicker restoration of their normal life after the war ended.

'The money loaned by the United States Government was in turn

<sup>1</sup> The times of despatch and receipt of this telegram are not recorded.

<sup>2</sup> No. 593.

<sup>3</sup> Printed in Cmd. 4215 of 1932.

<sup>4</sup> Printed in Cmd. 4216 of 1932.

borrowed by the United States Government from the people of the United States, and our Government in the absence of payment from foreign Governments is compelled to raise the shortage by general taxation of its own people in order to pay off the original liberty bonds and the later refunding bonds.

'It is for these reasons that the American people have felt that their debtors were called upon to make a determined effort to discharge these obligations. The American people would not be disposed to place an impossible burden upon their debtors, but are nevertheless in a just position to ask that substantial sacrifices be made to meet these debts.

'We shall continue to expect the debtors on their part to show full understanding of the American attitude on this debt question. The people of the debtor nations will also bear in mind the fact that the American people are certain to be swayed by the use which debtor countries make of their available resources,—whether such resources would be applied for the purposes of recovery as well as for reasonable payment on the debt owed to the citizens of the United States, or for purposes of unproductive nationalistic expenditure or like purposes.

'In presenting this report to you, I suggest that, in view of all existing circumstances no legislation at this session of the Congress is either necessary or advisable.

'I can only repeat that I have made it clear to the debtor nations again and again that "the indebtedness of [*sic* ? to] our Government has no relation whatsoever to reparations payments made or owed to them" and that each individual nation has full and free opportunity individually to discuss its problem with the United States.

'We are using every means to persuade each debtor nation as to the sacredness of the obligation and also to assure them of our willingness, if they should so request, to discuss frankly and fully the special circumstances relating to means and method of payment.

'Recognizing that the final power lies with the Congress, I shall keep the Congress informed from time to time and make such new recommendations as may later seem advisable.'

No. 599

*Sir R. Lindsay (Washington) to Sir J. Simon*  
(Received June 2, 9.30 a.m.)

*No. 183 Telegraphic [A 4419/383/45]*

WASHINGTON, June 1, 1934, 5.13 p.m.

My telegram No. 180.<sup>1</sup>

I do not see that President's message necessitates any serious revision of

<sup>1</sup> No. 598.



your note but I should like to propose that paragraph 8 should begin as follows:—

'His Majesty's Government appreciate that as stated again in President's message of June 1, it is open to them to discuss individually with State Department the problem of their debt, but they are in fact at the present moment faced with a choice.'

I await your final instructions on all points still open.

I propose on Sunday<sup>2</sup> to get in touch privately with Phillips to arrange details regarding delivery of note and publication and shall telegraph result to you that evening.

<sup>2</sup> June 3.

### No. 600

*Sir R. Lindsay (Washington) to Sir J. Simon*  
(Received June 2, 9.30 a.m.)

*No. 184 Telegraphic [A 4420/383/45]*

WASHINGTON, June 1, 1934, 6.43 p.m.

Your telegram 153.<sup>1</sup>

Figures adopted as they stand subject to correction in paragraph 1.

In addition to alterations in your telegrams 150<sup>2</sup> and 152<sup>3</sup> we propose to amend text as given in your telegram 141<sup>4</sup> by substituting words 'the United Kingdom' for 'this country' wherever the latter phrase occurs.

In fourth sentence of paragraph 4 is word 'attempt' singular or plural? In former case word before 'immediate' should be 'its'.

In last sentence of paragraph 6 we propose to say 'their' instead of 'its debt'.

<sup>1</sup> Not printed. This telegram of June 1 answered a query by Sir R. Lindsay regarding a discrepancy in certain of the figures in No. 594. The figure, in paragraph 2 of that telegram, of war advances made by the United States Government to other European Governments was corrected to read '\$5,573,300,000'.

<sup>2</sup> No. 597.

<sup>3</sup> Not printed. See No. 594, note 1.

<sup>4</sup> No. 594.

### No. 601

*Sir J. Simon to Sir R. Lindsay (Washington)*

*No. 154 Telegraphic [A 4419/383/45]*

FOREIGN OFFICE, June 2, 1934, 3.15 p.m.

Your telegram No. 183.<sup>1</sup>

We will reply on Monday morning.

Your telegram No. 184.<sup>2</sup>

We agree to substitute 'United Kingdom' for 'this country' in first sentence

<sup>1</sup> No. 599.

<sup>2</sup> No. 600.

of paragraph 2 and the eighth sentence of paragraph 3 beginning 'Yet in order to restore' and the first sentence of paragraph 4. In the other three places we prefer to retain the words 'this country'.

In fourth sentence of paragraph 4 the word before 'immediate' should be 'its'.

In last sentence of paragraph 6 the wording should be 'the debt'.

**No. 602**

*Sir J. Simon to Sir R. Lindsay (Washington)*

*No. 155 Telegraphic [A 4419/383/45]*

FOREIGN OFFICE, *June 4, 1934, 1.30 p.m.*

Your telegram No. 183.<sup>1</sup>

Following amendments should be made in draft Note to United States.

(1) Paragraph 2. Delete fourth sub-paragraph 'on the other hand' down to 'their own resources' and substitute the following two sub-paragraphs:—

'On the other hand, His Majesty's Government are creditors as well as debtors in respect of these inter-Governmental obligations. While, as stated above, they borrowed 4,277 million dollars from the United States, they themselves made war advances to the Allied Governments totalling £1,600 millions (7,800 million dollars). These loans were raised by His Majesty's Government from the people of the United Kingdom and the annual interest thereon, and eventually their capital repayment, must, in the absence of payments by the debtor Governments, be met out of the general taxation of their own people. In this respect, the position of the United Kingdom is precisely similar to that of the United States: but whereas the United States have received very substantial payments against the domestic charges involved, His Majesty's Government have had to meet the domestic charges of their war loans to the Allied Governments in full, as they have paid over to the United States Government all that they have received both from war debts and war reparations, and they have, in addition, paid nearly as much again out of their own resources.

'If the United States feel the burden of their war advances of \$10,050 millions, against which they have received \$2,703 millions, how much heavier is the burden of the United Kingdom which, with one-third of the population of the United States, has had to meet the full charges on its war advances of \$7,800 millions without any net receipts against these charges, and has in addition made large payments out of its own resources on account of its war debt to the United States.'

(2) Paragraph 2. Begin last sub-paragraph by inserting words 'None the less' before 'convinced'.

(3) Instead of adding the words which you propose at the beginning of

<sup>1</sup> No. 599.

paragraph 8, insert at the end of the first sentence of paragraph 7, after the words 'usefully be done', a comma and the words 'and His Majesty's Government are glad to note that the President in his message to Congress on June 1 has again stated that each of the Debtor Governments concerned has full and free opportunity to discuss this problem with the Government of the United States. But unfortunately' (as in text).

(4) Our telegram No. 153<sup>2</sup> first paragraph. Figure was mistyped and should read \$5,773,300,000 (and not \$5,573,300,000).<sup>3</sup>

<sup>2</sup> Not printed. See No. 600, note 1.

<sup>3</sup> The note as finally amended was delivered by Sir R. Lindsay on June 4 and is printed in Cmd. 4609 of 1934.

### No. 603

*Sir R. Lindsay (Washington) to Sir J. Simon  
(Received June 12, 8.18 p.m.)*

*No. 193 Telegraphic [A 4668/383/45]*

WASHINGTON, June 12, 1934<sup>1</sup>

Your telegram No. 141.<sup>2</sup>

I have received the following reply from Secretary of State:

Begins:

Department of State, Washington, June 12, 1934.

Excency: The observations contained in your note of June 4, 1934, concerning the indebtedness of His Majesty's Government to the United States have been studied with close attention.

This Government is sensible of the elements of the situation set forth by His Majesty's Government, the heavy war expenditures undertaken in its own behalf and in behalf of its Allies, the burden of taxation that has been borne by the British people, and the transfer difficulties that under certain circumstances may arise in the foreign exchanges. With certain observations, however, and the inferences drawn therefrom, I regret that the American Government is unable to concur and in three instances it feels that, for the purpose of record, it should make its own attitude clear.

First, His Majesty's Government states in effect that, unless payments were made in full in the sum of two hundred and sixty two million dollars as set forth in the communication from the United States Treasury dated May 25, 1934, the United Kingdom would fall within the effects of the recent legislation mentioned in paragraph seven of your note, so that the payment of this amount is regarded as the only alternative to suspension of all payment. The Attorney General has advised me that, in his opinion, the debtor Governments which, under the ruling of his office of May 5, 1934, are not at present considered in default because of partial payments made on earlier instalments, would have to pay only the amount of the instalment due

<sup>1</sup> The time of despatch of this telegram is not recorded.

<sup>2</sup> No. 594.

June 15 1934—for Great Britain eighty five million six hundred and seventy thousand seven hundred and sixty five point nought five dollars—in order to remain outside the scope of the Act.

Second, in regard to the record cited by the British Government of its loans to its Allies and the fact that His Majesty's Government has given up great sums due to it under those loan contracts, this Government must emphasize the complete independence between the aforementioned transactions and the debt contracted by His Majesty's Government to this Government. The British Government undertook to borrow under its own name and on its own credit standing, and repayment was not made contingent upon the fate of debts due to the British Government.

Third, this Government notes with disappointment the declaration of His Majesty's Government that 'while suspending further payments until it becomes possible to discuss an ultimate settlement of inter-governmental war debts with a reasonable prospect of agreement, they have no intention of repudiating their obligations, and will be prepared to enter upon further discussion of the subject at any time when, in the opinion of the President, such discussion would be likely to produce results of value'.

In effect, this Government reads the declaration of His Majesty's Government to mean that it will fail to meet any further payments on the debt due to the United States as evidenced by the settlement of June 19, 1923, until this Government shall first scale down this debt to an unascertained sum to which His Majesty's Government might be willing to accede. This declaration appears to represent insistence by His Majesty's Government that before it makes any payment whatsoever it must be assured of a settlement satisfactory to it and not necessarily in accordance with any accepted standards of payment or readjustment of the amounts due. The only indications before this Government of the extent to which His Majesty's Government has proposed to meet its obligations are the small fractions of the sums due mentioned by His Majesty's Representative in the course of the discussions in the spring and autumn of last year referred to in your note of June 4. Adhering to the opinion so often expressed by the United States Government a situation of this kind necessarily calls for the initiation of proposals by the debtor and not by the creditor.

Should His Majesty's Government wish to put forward proposals for the resumption of payments, this Government would be glad to entertain and discuss them informally. For instance, no proposal has ever been presented to this Government looking towards payments in kind to an extent that might be found mutually practicable and agreeable. Any proposals of this or a similar character which promise mutual benefit will be carefully considered for eventual submission to the American Congress.

In conclusion, may I refer to the statement made by the President in his message to the Congress on June 1: 'The American people would not be disposed to place an impossible burden upon their debtors, but are nevertheless in a just position to ask that substantial sacrifices be made to meet these debts.'

Accept, Excellency, the renewed assurances of my highest consideration.  
Signed Cordell Hull. Ends.<sup>3</sup>

Note is addressed to His Excellency The Honourable Sir Ronald Lindsay,  
P.C., G.C.M.G., K.C.B., C.V.O., British Ambassador.

<sup>3</sup> This note is printed in Cmd. 4627 of 1934.

**No. 604**

*Sir J. Simon to Mr. Osborne (Washington)*

*No. 175 Telegraphic [A 5175/383/45]*

FOREIGN OFFICE, *June 23, 1934, 1.0 p.m.*

Following from Sir R. Vansittart:—

My immediately following telegram<sup>1</sup> contains note to United States Government on the debt question which as at present contemplated should be handed to United States Government on Wednesday next June 27 and published in Thursday morning's papers.

The note has been approved by the Prime Minister, Chancellor of the Exchequer and Secretary of State. Should you consider any verbal alterations or emendations desirable please telegraph at once.

In any case please let us know in good time when note will be presented.

<sup>1</sup> No. 605.

**No. 605**

*Sir J. Simon to Mr. Osborne (Washington)*

*No. 176 Telegraphic [A 5175/383/45]*

FOREIGN OFFICE, *June 23, 1934, 2.30 p.m.*

Following is text referred to in my immediately preceding telegram.<sup>1</sup>

Begins:

After careful consideration of the note which you addressed to me on June 12, His Majesty's Government in the United Kingdom feel that there are two questions to which it may be useful to make further reference.

In the first place, His Majesty's Government would observe that in their note of the 2nd instant they did not state that the payment of the British war debt was legally contingent upon the payment of the debts due to them. What they said was that it would be impossible for them to contemplate a situation in which they would be called upon to honour in full their war obligations to others while continuing to suspend all demands for the payment of the war obligations due to them. This was a statement not of law, but of fact.

Secondly, as regards a suggestion of payments in kind, His Majesty's

<sup>1</sup> No. 604.

Government would recall that the experience of German reparations showed that transfer difficulties are not solved by a system of deliveries in kind. As the committee presided over by General Dawes pointed out in 1924: 'In their financial effects, deliveries in kind are not really distinguishable from cash payments.' In fact, the economic objections to cash payments would apply with equal force to deliveries in kind unless those deliveries were to consist of indigenous products of the debtor country (excluding re-exports) and unless they were to be accepted by the creditor country and consumed by it in addition to the goods taken from the debtor country in the normal course of trade. If the United Kingdom were not to receive payment for goods exported on commercial accounts,<sup>2</sup> her exchange resources available for the purchase of cotton and other goods from America would be still further diminished. Therefore, while not unwilling to consider further suggestions as to deliveries in kind, His Majesty's Government do not at present see any method of putting such a plan into practice which would be likely to commend itself to the Government of the United States of America.

In the view of His Majesty's Government the primary question for settlement is the amount that should be paid, having regard to all the circumstances of these debts. They regret that up to the present it has not been possible to make further progress in this matter, but they will welcome the opportunity of further discussion whenever it may appear that the conditions offer favourable prospects for a settlement; since they are sincerely anxious to remove from the sphere of controversy all or any matters which might disturb the harmony of the relations between the two countries.

<sup>2</sup> This word was later amended to read 'account'.

#### No. 606

*Mr. Osborne (Washington) to Sir J. Simon*  
(Received June 24, 9.30 a.m.)

*No. 214 Telegraphic [A 5176/383/45]*

WASHINGTON, June 23, 1934, 8.15 p.m.

Your telegram No. 176.<sup>1</sup>

One point occurs to us in connexion with draft note. Chief reason that inspired United States reply of June 12 seems to have been their understanding of our note of May 25 as leaving the baby on their doorstep i.e. leaving to them the initiative in any resumption of discussions. See last sentence of anti-penultimate paragraph of their note. In fact Under Secretary told me had it not been for this consideration they might never have replied.

In view of their sensitiveness on this point it seems to us that phrase 'to consider further suggestions' towards end of paragraph 4 [3] of your draft may provoke them to repeat that any suggestions should emanate from us. We clearly do not want to continue this correspondence at present. Would

<sup>1</sup> No. 605.

you consider substitution of 'to give further consideration to possibility of deliveries in kind' in place of above quoted words from your text?

It would probably afford them considerable satisfaction if last paragraph of our note were to read: 'will welcome opportunity of *initiating* further discussion': but you might not wish to go as far as this.

In first paragraph please substitute Sir R. Lindsay for 'me'.

**No. 607**

*Sir J. Simon to Mr. Osborne (Washington)*

*No. 177 Telegraphic [A 5177/383/45]*

FOREIGN OFFICE, *June 26, 1934, 2.35 p.m.*

Your telegram No. 214.<sup>1</sup>

Following amendments should be made in the draft note telegraphed in my telegram No. 176.<sup>2</sup>

*Paragraph 1.* Substitute 'Sir R. Lindsay' for 'me'.

*Paragraph 3.* For words: 'therefore, while not unwilling to consider further suggestions as to deliveries in kind' substitute the words: 'therefore, while not unwilling to give further consideration to the possibilities in this direction'.

*Last paragraph.* For words: 'but they will welcome the opportunity of further discussion whenever it may appear that the conditions offer favourable prospects for a settlement' substitute the words: 'but they will welcome the opportunity of resuming discussion whenever it may appear that the present abnormal conditions have so far passed away as to offer favourable prospects for a settlement'.

<sup>1</sup> No. 606.

<sup>2</sup> No. 605.

**No. 608**

*Sir J. Simon to Mr. Osborne (Washington)*

*No. 178 Telegraphic [A 5177/383/45]*

FOREIGN OFFICE, *June 26, 1934, 2.40 p.m.*

My immediately preceding telegram.<sup>1</sup>

Please arrange to present Note to United States State Department at a convenient hour on Wednesday 27th so that it may be issued by them on the afternoon of Wednesday 27th, marked 'To be released for publication in the morning papers of all countries on Thursday 28th June'.

We, for our part, will give the text to the Press in the afternoon of Wednesday 27th June, similarly marked—'To be released for publication in the morning papers of all countries on Thursday 28th June'.

Please reply, repeating above arrangements, and confirming.<sup>2</sup>

<sup>1</sup> No. 607.

<sup>2</sup> The note as amended was delivered by Mr. Osborne on June 27 and is printed in Cmd. 4627 of 1934.

## APPENDIX I

### Foreign Office Memorandum on the disarmament negotiations<sup>1</sup>

[W 14087/40/98]

FOREIGN OFFICE, *November 21, 1933*

#### INITIATIVE OR INACTION?

A critical moment in the Disarmament Conference has been reached. Certain Powers (Italy, perhaps ourselves and possibly others) took the view that it is useless and harmful to draft a disarmament convention in the absence of Germany on lines which Germany could not possibly accept. Other countries, especially France, held to the view that Germany's withdrawal should not be permitted to hold up the work of the Conference. But even if this second view prevailed—which it had little chance of doing, except in the form of certain committees continuing the discussion of certain chosen topics—before very long, say within the next two or three weeks, the Conference or its committees must, unless they confine themselves to uncontroversial topics of no importance, come up against irreconcilable standpoints in regard to the main question. There appears to be therefore a general feeling at Geneva—whether openly avowed or not—that if any disarmament convention is to be secured there must be conversations of one kind or another between the chief Powers concerned. First Germany, now Italy, is unwilling to hold those conversations at Geneva. France has hitherto refused to hold them anywhere but at Geneva. It may be that on this point an agreement has been found. Possibly a subsidiary meeting between the chief Powers concerned may be decided on at another place than Geneva. Another suggestion is that while the Conference might be maintained in being or simply adjourned for a couple of months, in the meantime there should be diplomatic interchanges.

But all these are questions of procedure. Any or all of them may be valuable but none of them can have any success unless this country is prepared to make up its mind as to what it is after. Conversations in which one side has nothing to say cannot be very fruitful. Yet that is the position in which either our representatives at a conference in Italy or our Ambassadors at the European capitals would be placed if it were decided to seek progress through one or the other channel. In conversation with the Secretary of State on the 18th November,<sup>2</sup> M. Paul-Boncour once again made plain the French standpoint: continue to work for a disarmament convention on the basis of the British Draft plus amendments to it embodying the plans of the 14th October report. France can do no more and will do no less. To this at present our answer, however politely phrased, can only be negative since no decision for positive action has been taken. (A paper analysing the dangerous consequences of such a policy of negation has been drawn up and can be submitted separately if desired.) How then can our representative at e.g. an *ad hoc* meeting or Lord Tyrrell in Paris profitably enter on discussions with the French if neither one nor the other has any positive suggestion to make to them? Similarly with the

<sup>1</sup> This memorandum was drawn up by Mr. A. W. A. Leeper.

<sup>2</sup> See Enclosure in No. 53.



Germans. On October 24, Herr Hitler put to Sir E. Phipps certain proposals, the acceptance of which, he said, would satisfy Germany.<sup>3</sup> To these, Sir E. Phipps has pointed out in a recent letter to Mr. Sargent,<sup>4</sup> His Majesty's Government have not yet authorised him to return any reply. It is no use to keep on saying we stand by the Draft Convention. Of course we do. So does everyone as a basis of discussion. But unless agreement can be reached as to the most important gaps in, and amendments to, the Draft Convention, that Draft Convention can never be turned into a disarmament treaty.

So far as we are aware in the Foreign Office, the only attempt yet made to define our attitude so as at once to satisfy all Germany's legitimate demands and safeguard all the legitimate anxieties of this country and France, is what has been called the Foreign Office Draft Plan of the 1st November. 'Draft Plan' is perhaps not a very happy phrase, for it suggests a substitute for the Draft Convention. A more accurate title would be 'Adjustments of the Draft Convention required to render possible a disarmament treaty'. A copy of the Draft Plan, or as we shall henceforward call it, the 'Adjustments', is annexed,<sup>5</sup> with certain corrections in red ink, which may be considered improvements from the point of view of France, Germany, this country and the cause of disarmament.

Whether the idea of a subsidiary conference or the proposal for diplomatic conversations is accepted, in either case it is submitted that it is essential for Great Britain to decide what her attitude is to be in some such concrete form as the 'Adjustments' outline. Armed with such a document, our representatives would really have a chance of securing French and German agreement, and if, owing to the unreasonableness of either one or the other or both, they fail to do so, the document would be one which His Majesty's Government should have no hesitation in publishing, for it would establish once and for all the clarity of their good intentions, and put on record the basis on which a settlement could be, or could have been, reached.

It is urged, therefore, (1) that the Draft Plan which is based (a) on the British Draft Convention, (b) on the Anglo-French conversations of the 18th and 22nd September, and (c) on Hitler's communication of the 24th October, should be at once considered by the Cabinet and accepted, apart from any technical details which the Service Departments can show need correction, with the least possible delay; (2) that either the Secretary of State or, if the diplomatic channel is preferred, Lord Tyrrell should at once be authorised to discuss the proposals fully and frankly with the French. Our representative could explain to the French the urgent necessity for a positive policy; he could then show them that the Draft Plan contains nothing prejudicial to their security; he could point out that the alternative to putting forward a plan of this sort will be the complete break-down of all disarmament negotiations and the leaving of Germany free to go her own way without any control, for Great Britain is not willing to enforce on her in such circumstances the obligations of Part V of the Treaty of Versailles. No doubt the French Government will make difficulties at first, but there is at least a very good chance that faced with the two alternatives of (a) our 'Adjustments', by which in return for disarmament by stages, German rearmament is severely limited and controlled, and (b) being left alone to face an entirely uncontrolled Germany,

<sup>3</sup> See Volume V of this Series, No. 489.

<sup>4</sup> Not printed.

<sup>5</sup> Not printed. The Plan introduced a number of detailed changes in the Convention. It was not submitted to the Conference.

France may see the wisdom of adopting the former course which leaves Anglo-French co-operation undiminished. If the French do accept this course, the next stage would then be either, if there is a subsidiary conference, after similar conversations with Italy, to lay the plan before the conference at its very inception, or, if there is no conference, to approach first the Italian and then the German Government with the proposals. If all four accept, there is no reason why the Disarmament Conference should not be resumed with full vigour. If one or more of the other three Powers refuse to accept our proposals, then His Majesty's Government would regretfully, after due notice, publish them as the last, and indeed the only, serious attempt to break the deadlock and leave with the other Powers the responsibility of subsequent developments, developments which might unfortunately involve a race in armaments and eventually possibly war.

There is no alternative, as the department sees it, to this course. Unless we know our own minds it is useless either to begin so-called diplomatic exchanges or embark on a subsidiary conference or discuss, as has been suggested, with the German Government the proposals which they have made. The last of these three courses is indeed an attractive one in certain circumstances, but it would be useless to ask the German Government what their intentions are, when we know that their answer will be 'All that we want is what we have always wanted—equality: engage to give up the arms forbidden to us and we do not ask for them, or alternatively, if you intend to keep them we must have them.' To provoke this answer would only impale His Majesty's Government on the horns of a very awkward dilemma, for we dare do neither one nor the other, and France is in the same predicament. It is only by deciding on a concrete policy divorced from these two logical alternatives that we can take the lead into our own hands and be in a position to guide the course of negotiations whether in diplomatic conversations or at the conference.

The alternative to the course proposed is the extreme opposite: it is *inaction*. We might deliberately refrain from any initiative. We might 'wait and see'. We might say that in present circumstances it is useless pursuing the Conference at Geneva or elsewhere and having ourselves proposed the Draft Convention we consider it is for others to approach us with their suggestions as to how the deadlock can be broken. The attraction of this course is that it requires no decision on our part. But that is the only attraction of it. In every other way we are incurring a frightful risk; we are incurring the risk for instance of Germany openly repudiating Part V of the Treaty of Versailles, or indeed the whole Treaty, on the ground that there is no longer any prospect of the ex-Allied Powers fulfilling their promises. We are incurring the risk of the French pressing openly for the arraignment of Germany for her infractions of the Peace Treaty. We are incurring the risk of British policy in Europe and throughout the world being held up to contempt as that of a Power too irresolute or too indifferent to count in European affairs. We are incurring the risk that all enthusiasts for disarmament in this country or elsewhere will credit His Majesty's Government with the most sinister designs of rearmament. We are incurring the risk that most if not all countries will take our 'gran rifiuto' as a signal for feverish activity in strengthening their armaments, a race into which we should sooner or later be drawn.

It is not only the Disarmament Conference that is at stake. The League of Nations is also at stake. We do not yet admit the fact. Today's Speech from the Throne declares: 'My Government remain determined to uphold the work of international co-operation by collective action through the machinery of the

League of Nations and in all other ways calculated to further good relations between all States and peoples.<sup>6</sup> But what is the position? Japan and Germany have announced their intention of joining the United States of America and the U.S.S.R. in the status of independence of, if not isolation from, the League. Italy may not have the courage to go quite so far openly but in practice means to cold-shoulder the League and all its works and to be represented purely nominally on it. The League will therefore become, in fact if not in name, an association of small nations presided over by Great Britain and France—in other words a camouflaged Anglo-French alliance. I am not suggesting that this is necessarily a bad thing: I am suggesting that it is a new thing.

What is the choice between [*sic* ? before] us during the next two months, a very short time in which to make up our minds but perhaps longer than we shall get? There will certainly be no disarmament convention unless His Majesty's Government can take some such bold initiative as the Foreign Office suggest. Perhaps there will be no disarmament convention even then, but there will certainly be none without it. Without some such initiative, without a decision by the Cabinet as to what we have to press for, nothing can come of diplomatic interchanges. As the hopelessness of concluding a disarmament convention becomes clear Germany will exercise, either openly or secretly, her right to rearm as the necessary consequence of other Powers' failure to disarm. How can this be met if there is to be no disarmament convention?

(1) The menace might be met collectively by the united action of the world exercised through the machinery of the League of Nations in close co-operation with the United States. In the circumstances anticipated this will be impossible, for the League, even if nominally still in existence, will be discredited and impotent. It will be in fact a camouflaged Anglo-French alliance, less free than an open Anglo-French alliance to take urgent and unrestricted action.

(2) There might be an Anglo-French alliance. The gist of the last Chiefs of Staff Annual Review, as I understand it, was that we can in the last resort resist Japan by force, if we can rely on France to defend us against Germany. If we have no understanding with France can we have any such reliance? It may be that we can, but it is a mere supposition. Perhaps France, convinced that she will never come to a clear understanding with us as to our intentions, will make a deal with Germany. Any such deal would be on the basis of an armed truce between the two countries, which would be tantamount to a tacit agreement that both sides should rearm.

(3) France may decide, as many Frenchmen now feel, that a disarmament convention being ruled out there is no way of controlling German armaments except by counter-armaments. France may feel that in this race she will win and that the future of Hitlerism is so uncertain that on the whole France can gamble on outlasting it. If France and Germany rearm, every European country will follow suit. Will this country? This country is a long way behind, especially in air armaments. Will it be a popular proposal here, that without further delay we should bring up our armaments to the required strength to resist the rearming Powers of Europe? It is not likely to be a popular proposal, perhaps not even a proposal that will be accepted at all, for it involves great alarms and increased expenditure unless definite reasons can be shown to prove it absolutely necessary.

(4) Yet if the League of Nations is to disappear or to become a rather embarrassing simulacrum of what it was intended to be, and if we are to have no firm

<sup>6</sup> See Parl. Deb., 5th ser., H. of L., vol. 90, cols. 1-3.

Anglo-French understanding then this country must be prepared to defend itself. In other words if an active League of Nations policy and if an Anglo-French alliance are ruled out, we shall have to rearm and rearm very vigorously. Inaction now means either rearmament next year or defencelessness.

(5) In conclusion, the disappearance or reduction to complete futility of the League of Nations will raise other embarrassing minor questions. What happens to the whole régime of mandates and minorities of which the League is the guardian? Will not the disappearance of the League here cause grave complications in regard to the administration of the minority treaties and the status of the ex-German colonies? What happens, further, to the innumerable activities with which the League has by common consent been most usefully entrusted? There are many instances of this: to quote only one—what happens to the future of the Saar, the inhabitants of which in 1935 have to vote either for France or Germany or the continuance of the present régime? What happens to Danzig?

A. W. A. LEEPER

## APPENDIX II

### Additional correspondence on the internal situation in Germany

NOTE. Among the despatches not printed in the text of the volume, four (dealing with the Reichstag trial, the German foreign exchange position in March 1934, and the events of June 30, 1934) are of special interest.

(No. i)

*Sir E. Phipps (Berlin) to Sir J. Simon (Received January 2, 1934)*

*No. 1309 [C 36/30/18]*

BERLIN, December 28, 1933

Sir,

I have the honour to inform you that the Reichstag fire trial, which began on the 21st September, reached its conclusion on the 23rd December. The three Bulgarians accused and Herr Torgler were acquitted for want of evidence, and the Dutchman van der Lubbe was condemned to death.

2. I have not attempted to give you any account of the proceedings in court from day to day, since they have been fully reported by 'The Times' correspondent, who was present throughout, but it may be useful to make a few observations of a general character.

3. The trial opened with a flourish of trumpets, and the press devoted whole columns to the proceedings. It was evidently hoped that the Nazi party would be able to make as much political capital out of the trial as it had done out of the fire itself. Very soon, however, it became apparent that a miscalculation had been made. The court showed from the outset that it did not regard itself as the tool of the Executive. The evidence called by the prosecution was inconclusive, contradictory and often obviously perjured. Under the rules of German procedure the trial dragged on until public interest evaporated. The press relegated the daily reports to the back pages and eventually drastically curtailed them. It was openly admitted that the trial had proved a fiasco and should never have been held. General Göring himself said to a German newspaper correspondent that this long-winded trial had disappointed the nation.

4. In England the somewhat strange rules of German judicial procedure have aroused misconceptions. 'The Times', for example, published on the 14th December a critical article by a legal correspondent, in which exception was taken in particular to the latitude allowed to witnesses for the prosecution and to the exclusion of the accused Dimitroff on four occasions for insulting witnesses who were officials. Whilst there is some force in this criticism, it should be borne in mind that the atmosphere of a German criminal trial is unlike that of a similar trial in England. It is more the atmosphere of a domestic discussion, in which the judge, the counsel, the witnesses and the accused are allowed considerable freedom to exchange remarks, to wander into irrelevant bypaths, and to indulge in re-

partee. The rules of evidence, as applied in England, do not exist, and counsel and the accused are allowed to interrupt witnesses and opposing counsel almost without restraint. The accused are also given much greater liberty than would have been the case in England. Dimitroff, for example, during the concluding stages of the trial, made a political speech lasting for an hour and a half, and was only stopped after he had been warned three times that his remarks should bear some relevance to the issue before the court. It is true that during the trial he was excluded from the court, but it must be said that on each occasion he was persistently interrupting the proceedings with impertinent remarks, and was only excluded after he had been repeatedly warned to moderate his language. The author of the article in 'The Times' expressed the opinion that the forms and methods of the trial, though they might be in accord with German law, were not such as to ensure a fair decision. Nevertheless, the verdict proved to be substantially in accordance with the writer's conclusions based on the published evidence.

5. The most interesting figure at the trial was undoubtedly Dimitroff, who showed that he possessed a high degree of courage and intelligence. Although he failed to score when cross-examining the crafty Dr. Goebbels, he succeeded in arousing the fury of the impulsive General Göring, and in goading him to make remarks which he must afterwards have regretted. Nevertheless, he showed himself clearly to be a man who, had the situation been reversed, would have given no quarter to his opponents. His courage appears to have blinded certain foreign observers to the fact that he is a distinctly unpleasant character and an avowed enemy of civilised society. Herr Torgler adopted the dignified and uncombative attitude which might have been expected from a parliamentary Communist. His counsel, in his concluding speech, said that, although a Nazi, he had during his enforced association with Herr Torgler acquired a certain sympathy for his personality. Van der Lubbe presented throughout the pathetic spectacle of a half-witted creature on trial for his life. In view, however, of the evidence and of his repeated admission that he had been solely responsible for the fire, his conviction was inevitable. The other two Bulgarians appeared to be persons of no consequence, and since it was impossible to show that they had any connexion with the fire, they played little part in the trial.

6. The German press comments on the verdict with two voices. The 'Völkischer Beobachter' publishes and concurs in the official opinion of the Nazi party that the verdict represents a false judgment, which goes against the feelings of the whole German people. The law, it says, will have to be altered so as to render a similar verdict impossible in the future. The rest of the press is inclined to take the view that the result gives the world convincing proof of the impartiality of German justice. The findings of the unofficial commission in London, and in particular their assumption that Herr Torgler would be convicted, naturally come in for derision and criticism. The 'mock' trial in London has, incidentally, done more to rouse ill-feeling against Great Britain in this country than any other recent event.

7. It is announced that Herr Torgler and the three Bulgarians have been taken into protective custody, but no decision as to their eventual disposal has been made public. The press, however, has declared that Herr Torgler will be tried for treason.

I have, &c.,  
ERIC PHIPPS

*Sir E. Phipps (Berlin) to Sir J. Simon (Received April 5)**No. 335 [C 2096/1/18]*

BERLIN, March 23, 1934

Sir,

In view of the forthcoming April conference regarding Germany's long-term foreign debt, it may be useful if I review the recent development of Germany's exchange position and of the Reichsbank's note cover or reserve.

2. When the moratorium was put into force for the long-term foreign debt at the beginning of July, the Reichsbank reserve had fallen from 920 million reichsmarks on the 31st December, 1932, to a low point of 273 million reichsmarks on the 30th June, 1933. This reduction was mainly due to the repayment of the outstanding Central Bank credit of 86 million dollars and Gold Discount Bank credit of 45 million dollars. The equivalent of these dollar amounts at par is 550 million reichsmarks, but, owing to the fact that the depreciation of the dollar occurred in the middle of the repayments, the actual reichsmark equivalent was less. To some extent dollar assets were used for the repayment of these dollar obligations, and the exact cost in reichsmarks of the repayment is not precisely known, although it has been reported in the press to be approximately 516 million reichsmarks. The total loss in the six months exceeded this last figure by upwards of 100 million reichsmarks, and it was plain that the export surplus, which had averaged 48 million reichsmarks a month in the same period, had fallen below the level necessary to permit the continued payment of the full service of the foreign debt. The forcing of exports by the deflationary policy of the Brüning Government had, in fact, ceased, and a new stage in the exchange position had been reached.

3. It was estimated by Dr. Schacht that the combined effect of the reduction as from the 1st July of cash transfers on the long-term debt to 50 per cent., the interest savings secured by agreement on the Standstill Debt, and the imposition of the Economic Treason Law, would be to secure an increase in the Reichsbank reserve of some 120 million reichsmarks in the six months to the 31st December, 1933. The reserve, in fact, started to rise immediately with the imposition of the moratorium, and reached 415 million reichsmarks on the 7th November, after which it fell again to 396 million on the 31st December. Dr. Schacht's anticipations were, in fact, not far from being realised, although a somewhat higher proportion of the increase than had been expected (100 million reichsmarks instead of apparently 60 million) arose from the Economic Treason Law, and Dr. Schacht afterwards attempted to discount this windfall altogether.

4. The approximate accuracy of this estimate of Dr. Schacht's must be attributed mainly to chance. When in December he reduced the cash transfers on the long-term debt to 30 per cent., he had failed to convince the representatives of the creditors that any reduction was necessary. The great uncertainty of many of the estimated figures on which he based his conclusions, his arbitrary manner and lack of candour, induced in the creditors a scepticism of his methods of proof which subsequent events have in no way invalidated. In truth, neither the creditors, nor Dr. Schacht himself in his omniscience, are in a position to allow for all the intricate factors involved, such, for example, as the time element, Russian payments and (perhaps most important of all) the precise effect of the use of scrips and other cheap marks in the 'additional' export system.

5. Dr. Schacht estimated in December that, even with cash transfers reduced to 30 per cent., the Reichsbank might lose 'Devisen' at the rate of 11 million reichsmarks a month in the six months January to June 1934, having regard to the actual course of foreign trade in the last half of 1933 and of the 'additional' exports in particular. The concessions made to the creditors at the January meeting were, from the cash point of view, of minor importance and represent a total of only 10-20 million reichsmarks in the six-month period.

6. In actual fact the Reichsbank reserve has shown in the last three months a reduction greater than was anticipated on either side. It fell by 12 million reichsmarks in January, 43 million in February and 78 million in the first three weeks of March, thus reaching at 262 million reichsmarks a lower level than that from which it started in July 1933.

7. This unexpected fall has, of course, been made the most of by the German press and by Dr. Schacht as a proof that further reduction of German transfers is necessary. The demand is widely put forward that a permanent reduction of interest rates on the foreign debt should be accepted. Although Germans are always inclined in such circumstances to exaggerate their difficulties and their consequent demands for relief, I believe that Dr. Schacht and the responsible Ministers are genuinely uneasy at the situation which is developing. Fresh exchange restrictions appear to be contemplated, and the Government have just announced a scheme for the rationing of raw materials (see my despatch No. 324<sup>1</sup> of the 21st March).

8. The deterioration in the position, so far as it is definite and not merely temporary, must arise from the development of Germany's foreign trade, and it is possible to trace obscurely some of the influences which must be at work.

The revival of business internally in Germany has, in the first place, called for an increase in the German imports of raw materials, the value of which, after averaging 202 million reichsmarks per month in 1933 and rising to a maximum of 218 million R.M. in July 1933, rose to 225 million R.M. in January and 238 million R.M. in February 1934. Meanwhile, however, there has been a continued fall in the export of manufactured goods, which, after averaging 316 million R.M. per month in 1933 and falling to a minimum of 284 million R.M. in February 1933, fell further to 259 million R.M. in January and 260 million R.M. in February 1934. The other main constituents of Germany's foreign trade have not changed materially, and in the result the months of January and February 1934 showed a surplus of imports (22 million and 35 million reichsmarks respectively) for the first time since January 1930. In actual fact January and February are habitually bad months, and it is still somewhat early for these unfavourable movements to affect the Reichsbank reserve, since most of Germany's foreign trade probably takes place on a basis of at least three months' credit; but if these features of foreign trade continue, the exchange position is bound to suffer in due course.

9. Another feature, which at the moment is probably more important, is the experience as regards 'additional' exports. Since last July the exports brought under the 'additional' export procedure and given the benefit of the resulting subsidy have amounted in value to some 100 million reichsmarks a month. It has, however, become fairly plain that the distinction in practice between 'additional' exports and other exports does not altogether correspond with the intention of the scheme. Any exporter who can export only at a loss is able to secure the subsidy, even though it would have paid him better to export at a loss than not to export

<sup>1</sup> Not printed.



at all (a phenomenon which is of fairly common occurrence in businesses where the overhead charges are considerable). And, whatever other influences may have been at work, it is plain from the figures that German exports have not been increased by the additional export scheme, but have, in fact, sagged in spite of it. The result is that, instead of the Reichsbank receiving additional 'Devisen' through the export under the scheme of goods which would otherwise not have been exported at all, in reality the Reichsbank has been losing 'Devisen' through the application of the scheme to exports which for the most part would have occurred in any case. To some extent Dr. Schacht made allowance for this feature in his estimate of last December, when he anticipated a loss to his reserve of 11 million reichsmarks a month, but the foreign trade position has, in fact, continued to deteriorate since December, in spite of the subsidy.

The weakness of the export figures may be to some extent explained by a tendency on the part of many manufacturers to relax their efforts to export goods, having regard to the obstacles which stand in the way of exports (including the somewhat complicated procedure for obtaining the 'additional' export subsidy), and especially to the fact that the improvement in the internal market makes it easier for them to keep their workmen reasonably employed.

10. Another important, if accidental, feature is the position as regards Russian payments. In 1933 Russia had an amount of some 750 million reichsmarks of bills maturing due in Germany. Some 250 million of this would have been covered by Russian exports to Germany; about 200 million was in effect postponed by fresh borrowing; and probably about 100 million was paid by permission with blocked marks (a procedure which brings in no 'Devisen' to Germany). Consequently, Germany only received in 1933 250 million reichsmarks in goods and 200 million in 'Devisen'. Approximately 700 million reichsmarks will probably be payable by Russia to Germany in 1934, and Germany's exchange position will be materially affected by the question whether she, in fact, receives this amount in 'Devisen' or not. I am informed that discussions have been proceeding on the question whether Russia should be permitted in 1934 to pay part of her debts in Germany with blocked marks, but, so far as I have heard, the discussions are not yet concluded.

11. In spite, however, of the unpromising outlook for the next few months, it would be wrong to assume that Germany's permanent capacity to meet the service of her foreign debts is necessarily to be measured by the present position. In any period of revival it is to be expected that imports of raw material will increase both in price and in quantity before the effect of the revival begins to be apparent in exports. It is to be hoped that Germany is at present in the difficult early stage of revival when her need for external resources is rising, and that, in spite of the many obstacles at the present time to international trade, the improvement in economic conditions visible in many countries will, in the absence of fresh political disturbances, lead to an improvement in the consumption and exchange of manufactured goods. The rapid rise in British imports from Germany towards the end of 1933 suggests a beginning of this movement, in spite of the failure of German exports to increase as a whole. Even in the difficult transition period it may be by no means impossible for Germany to obtain additional acceptance credit for the import of raw materials; a portion at least of the unavailed credit lines falling under the Standstill Agreement may already be regarded as available for this purpose.

12. An improvement in this direction is not, indeed, likely to be realised without setbacks. Political conditions are far from settled, especially in their reaction on

the economic position, and it is in the latter field that the struggle between the moderate and extreme elements in the country is likely to occur in the near future. Apart from political developments, it is possible that economic conditions may themselves later show a reaction after the artificial stimulation of business through unemployment work schemes, subsidies and psychological impulses ranging from moral pressure to pure enthusiasm. Such an economic reaction, if it occurred, would, in turn, arouse political strife in the economic field. The present uncertainty is, indeed, such that it must be many months before a clearer view can be obtained of Germany's prospects with regard to her economic relations with the outside world.

13. It would not have been surprising if Germany, in her present difficulties, had followed the example of other countries and depreciated the reichsmark, with a view to stimulating foreign trade and restoring a free exchange. A section of the National Socialist party has for a long time past advocated this course, and there has recently been some pressure from exporting circles to adopt it. The German Government has so far firmly set its face against depreciation, largely under the influence of Dr. Schacht, who, I suspect, cherishes the ambition to be one of the few central bankers who have brought their countries through the crisis without having to devalue their currencies. Devaluation would be to some extent a two-edged weapon for Germany, and the reasons for rejecting—or at least postponing—this measure are not far to seek. It is true that the old fears of a fresh panic among a population still mindful of the horrors of 1923 may, to some extent, have abated, and the present Government could use its unique authority in the hope of ensuring calm acceptance of a devaluation of the currency. But the measure would, nevertheless, have to be very cautiously handled, and it would be essential that a new gold parity should be adopted outright and that there should be no repetition. Even if the Government were, in principle, in favour of such a devaluation, the present uncertainty regarding currency developments in America, France and England would make it desirable to postpone for some months the choice of a new parity.

14. The practical benefit for Germany of a devaluation is, on the other hand, at least dubious. She has so far benefited from the fact that the depreciation of certain foreign currencies has reduced her external debt, which is mainly denominated in foreign currencies. A depreciation of the reichsmark would once again raise the nominal amount of the external debt and increase the burden on the exchange. If, again, Germany's export trade has been adversely affected by the depreciation of sterling, the dollar and other currencies, she has now recovered a good part of her competitive power by further rationalisation and by the use of the ingenious 'additional' export procedure. The disappointing results tend to show that Germany's real competitive power is at present affected by other factors besides prices, and that the effect of substituting a depreciation of the currency for the 'additional' export subsidies might again be disappointing.

15. The necessity of improving the bond market in Germany is another reason for hesitating to devalue the currency. So far, the Nazi Government and the Reichsbank have been successful in promoting a considerable improvement, and the index of the market value of bonds rose from 76 in December 1932 to over 90 in the first months of 1934. In the last few weeks, however, the bond market would, but for the support from the Reichsbank, have weakened appreciably owing to the fact that investors, fearing a depreciation of the reichsmark and a consequent rise in prices, were selling bonds and buying shares. A speech of

Dr. Schacht's on the 22nd February to the German Bankers' Association (a translation of which was transmitted under cover of my despatch No. 218<sup>2</sup> of the 26th February) failed to reverse this tendency, which was only checked by Herr Hitler's speech on the 21st March, in which he reaffirmed the Government's intention to avoid inflation, and, on the other hand, foreshadowed the new law (since passed) which provides that until the end of this year companies must in certain cases make new investments in Government stock *pari passu* with any increase in dividends over last year's.

16. In view of these considerations, the Government and Dr. Schacht have again and again committed themselves to the policy of maintaining the value of the reichsmark, and blamed other countries for the harm they have done to the economy of the world by depreciating their currencies. Any ordinary politicians would find some difficulty in these circumstances in explaining a *volte-face*. Nevertheless, I should by no means discount the possibility of a change of policy later on—or possibly even in the near future. I understand that Dr. Schmitt himself is not fully convinced of the wisdom of Dr. Schacht's policy, and any political change such as the weakening of Dr. Schacht's influence on Herr Hitler, or the replacement of Dr. Schmitt by a stronger and more radical character, might rapidly alter the position. Even Dr. Schacht himself may find a pretext for changing his view.

17. The attention of the creditor representatives at the forthcoming Long-Term Debt Conference in April will no doubt have been called to the existence in the recently published balance sheet of the Reichsbank of a sum of 216 million reichsmarks in foreign bank balances, bills and cheques which is not assigned as cover for the Reichsbank note issue—in other words, is not treated as part of the reserve. This apparently 'hidden' reserve has actually increased to the above figure from 139 million reichsmarks a year ago, and it would appear at first sight as if the Reichsbank foreign currency resources had not fallen as much as is indicated by the weekly returns. The financial adviser to this Embassy has, however, obtained from the Reichsbank explanations on this matter which indicate that the main constituent of this item at the end of 1933 was an amount of 120 million reichsmarks in 'Kursicherungstratten', or bills which are specially drawn in order to provide the mechanism by which the Reichsbank conducts, in fact, a forward exchange market. The nature of this procedure is more fully explained in a note by the financial adviser appended to this despatch. These bills are in reality not genuine foreign resources at all, and the figures show that, if these bills (which amounted to only 30 million reichsmarks at the end of 1932) are excluded, the remainder of the item in question has fallen from about 110 million at the end of 1932 to 96 million at the end of 1933. This remainder consists of genuine foreign bills which, having more than fourteen days to run, are not eligible as cover for the Reichsbank note issue, and of some bank balances in foreign currencies which are not on the gold standard or are subject to exchange restrictions.

I have, &c.,  
ERIC PHIPPS

<sup>2</sup> Not printed.

*Note on the 'Hidden Reserve' of the Reichsbank and on the Bank's Profits in 1933*

BERLIN, March 23, 1934

1. *The 'Hidden Reserve'*

The Reichsbank balance sheet shows certain details which do not appear in the weekly statements. In particular, the note cover is shown to consist of certain holdings of gold and foreign bank-notes, and *part* of an item entitled 'Bank Balances in Foreign Currencies.' The remainder of these bank balances, together with an item entitled 'Foreign Bills and Cheques', are not treated as note cover, and these two sums together are sometimes popularly referred to as the Reichsbank's 'hidden reserve', because no specific trace of it appears in the weekly statements.

The 'hidden reserve' at the end of 1932 consisted of 48 million reichsmarks in bank balances in foreign currencies, and 91 million reichsmarks in foreign bills and cheques—in all, 139 million. At the end of 1933 the corresponding figures were 23 million in foreign currencies and 193 million in foreign bills and cheques, or 216 million in all. It looks, therefore, at first sight as if, in a year when exchange has been so scarce that Germany has had to declare a moratorium on her foreign debt, the hidden reserve of 'Devisen' has actually increased by 77 million reichsmarks.

The Reichsbank, however, have been kind enough to furnish me with explanations which throw an entirely new light on this subject. The new fact is that a large part of the 'hidden reserve' consists, in fact, of what are known as 'Kurs-sicherungstratten', which do not represent genuine foreign currency at all, but are merely part of the mechanism by which the Reichsbank conducts a forward exchange market. If a German exporter or contractor makes a sale contract in foreign currency, and if this contract is not financed by drawing bills on the foreign purchaser which are accepted and made the basis of foreign credit—if, in fact, the German exporter is himself giving credit for a certain period—he is permitted to take to the Gold Discount Bank bills drawn upon the foreign purchaser, but not secured on the goods to be exported and not accepted by a foreign acceptance house. These bills need only be provided with the necessary number of good German signatures, and are then accepted by the Gold Discount Bank and, if the latter finds it necessary, passed on to the Reichsbank. The Reichsbank itself cannot discount bills or [*sic* ? of] more than three months' currency, nor can it give any promise to prolong a three-month bill; to get round this difficulty, the bills are drawn with a three-month currency, and the Gold Discount Bank is prepared, if necessary, to promise renewal up to six months, which is the maximum period for these transactions. The Gold Discount Bank satisfies itself that a genuine foreign transaction is taking place, and the transactions are limited to foreign currencies which are not the object of exchange restrictions so serious as to make it doubtful whether the goods exported will be paid for at the due date. The Reichsbank covers itself at least partly against the exchange risks it undertakes in this way by making forward contracts for the supply of foreign currencies to German importers.

These bills, or 'Kurs-sicherungstratten', while they are in a sense evidence of a future German 'Devisen' income, do not represent actual 'Devisen' because they cannot be used as the basis for foreign credit, and the Reichsbank rightly takes the view that they cannot be treated as 'Devisen' eligible for note cover.

The amount of such bills at the end of 1932 was 30 million reichsmarks approximately, and at the end of 1933 120 million. The increase is due to the fact that

the demand for such exchange insurance facilities increases whenever there is an increase in the fluctuation of exchange rates. Excluding these exchange insurance bills, the 'hidden reserve' reduced itself at the end of 1932 to 48 million reichsmarks in foreign bank balances and 61 million in genuine foreign bills and cheques, in all 109 million; while at the end of 1933 it reduced itself to 23 million in foreign bank balances and 73 million in foreign bills and cheques, in all 96 million. The Reichsbank explained to me that these foreign bills and cheques are those with more than fourteen days to run, which are consequently not eligible as note cover under article 28 of the Reichsbank Law of 1924. Similarly, the bank balances are those in currencies not on the gold standard or subject to exchange restrictions which make them suitable for note cover.

## *2. Miscellaneous points affecting the Reserve*

I took the opportunity of asking for a few other explanations which have an indirect bearing on the Reichsbank balance sheet and reserve. I was informed that the Konversionskasse deposits its balances with the Reichsbank in reichsmarks, and only obtains foreign currency for interest payments abroad as required. The *amortisation* money accumulated by the Konversionskasse is also deposited with the Reichsbank in the form of reichsmarks. These Konversionskasse deposits, which amounted in all on the 30th December, 1933, to 113 million reichsmarks, are the principal explanation of the fact that the sight deposits at the Reichsbank have risen from 540 million reichsmarks at the end of 1932 to 640 million at the end of 1933. The question whether amortisation money collected by the Konversionskasse is to be maintained as a Reichsmark or a foreign currency debt towards the foreign creditors is not yet finally settled; but I was informed that it was not the practice in any sense to earmark particular assets of the Reichsbank against particular (actual or contingent) foreign obligations (except in the special case of the Central Bank credit of 1931).

The Reichsbank informed me that up to the 1st March 94 million dollars nominal of German dollar bonds had been converted into reichsmark bonds under the various conversion offers made by the issuing companies. (This is only about half the estimate recently given to me by Dr. Jeidels; the latter may, in fact, be more up to date.) The Reichsbank were unable, however, to inform me what part of this amount of dollar bonds have been procured by exchange for foreign securities, nor, in consequence, what amount in 'Devisen' the Reichsbank had secured as a result of the rule that when foreign securities are sold for the purpose of such exchange, 25 per cent. of the proceeds must be delivered to the Reichsbank, and only the remaining 75 per cent. may be used for the purchase of German dollar bonds. They asserted, however, definitely, that no cash amounts in foreign currency had been released by the Reichsbank for the purpose of the repurchase of German dollar bonds for conversion.

Finally, the Reichsbank gave me to understand that the amount of 300 million reichsmarks of standstill credit lines, estimated to be unavailed when the new Standstill Agreement was reached in February, had now fallen probably to between 250 and 275 million reichsmarks owing to reavailments. I have already been informed from other sources that of the 300 million unavailed lines about one-half are dead lines which cannot be reavailed, and that part of the rest can only be reavailed after arrangements have been made to switch from the old debtors to new ones.

### 3. *Reichsbank Profits in 1933*

The gross revenue of the Reichsbank in 1933 was 129 million reichsmarks, as against 188 million in 1932. The difference was almost entirely due to a fall in the profits from bills and cheques from 162 million to 103 million. It is true that the average holding of bills and cheques in 1933 at 2,885 million reichsmarks was somewhat lower than that in 1932 (3,013 million), and also that the discount and Lombard rates in 1933 were 4 per cent. and 5 per cent. against an average in 1932 of 5.21 per cent. and 6.21 per cent. These changes, however, do not entirely account for the reduction of the profits shown in the profit and loss account, and it seems clear that a certain sum has been drawn from the profits on bills and cheques in 1933 in order to cover losses, before the net amount was entered in the profit and loss account. It is suggested in the press that the losses concerned were mainly currency losses in respect of the exchange insurance bills ('Kursversicherungs-tratten'), the nature of which is explained above.

In 1932 58 million reichsmarks was carried to the reserve against losses. By dint of making no such transfer in 1933, the net profit is maintained at about 40 million, the same figure as in 1932. This has made it possible to pay a dividend of 12 per cent. again, and transfer the same share of the profits (18 million) to the Reich as in 1932.

In addition to its share capital of 150 million reichsmarks, the Reichsbank now holds the following reserves (apart from the pension fund reserve, which presumably does not belong to the shareholders):—

	<i>Million reichsmarks</i>
Legal reserve fund . . . . .	67
Reserve against losses . . . . .	242
Reserve for note printing . . . . .	21
Reserve for new buildings . . . . .	22
Reserve for future dividends . . . . .	<u>40</u>
Total . . . . .	392

Of the share capital of 150 million reichsmarks, 124 million is held by residents in Germany and 26 million by residents abroad. Until last autumn it was permissible for foreigners to buy Reichsbank shares with 'Effektenspermarks' (i.e., the proceeds of sale of securities in Germany), and owing to the fact that Reichsbank dividends are not subject to the moratorium, Reichsbank shares were a holding much favoured by foreign investors in Germany. Since then, however, the purchase of Reichsbank shares out of 'Effektenspermarks' has been practically stopped. This fact, together with the possibility that, if a general reduction of the interest level in Germany is achieved, Dr. Schacht may no longer maintain his policy of paying a fixed dividend on Reichsbank shares, has led to a somewhat rapid recent drop of the quotation for Reichsbank shares from about 170 to 150.

G. H. S. PINSENT

*Sir E. Phipps (Berlin) to Sir J. Simon (Received July 7)**No. 794 [C 4391/29/18]*

BERLIN, July 5, 1934

Sir,

I propose in this despatch to set forth (1) the events leading up to the intended plot, (2) the plot itself, with its chief actors, (3) its suppression and chief victims, (4) its possible immediate results, and (5) its possible more distant repercussions. If my story should prove too long, and therefore 'as tedious as a twice-told tale', I can only tender the classic excuse that I had not time to make it shorter. Time in this case threatens, like Göring's Prætorian guard, for the messenger leaves this evening.

#### *I.—Events leading up to the Plot*

To get the proper perspective it is necessary to hark back for a moment to the post-war period when the actors in the drama first came on to the stage. Hitler himself then appeared in Munich as a reservist, with nothing to do and no prospects. He helped to recapture the city from the Communists, and in this connexion made the acquaintance of Ernst Röhm, then a captain in the Reichswehr with a bent for politics. From spring 1919 onwards Röhm and Hitler were associates, but it must be borne in mind that the relation was always that of a captain in the army with a corporal. In due course the corporal was glad to earn his living as a lecturer at Reichswehr continuation classes, a job created for him by Röhm. In 1921 the ex-servicemen who formed the backbone of the Nazi party, following the fashion of the moment for illegal armies, set up the S.A. Röhm commanded this little force, and in the same year the first conflict arose between him and Hitler regarding the nature of the S.A. Röhm never understood that Hitler did not wish to set up a military force. Hitler's idea was much more cunning. With unerring instinct he grasped the full significance of the inborn love of the German masses for marching, uniforms, parades and the like, and conceived the idea of exploiting this popular bent for political purposes. His plan was to form a political party in which the men between the ages of 20 and 50 would be soldiers, but in a political army. Röhm, on the other hand, regarded the S.A. as a military force. During the Ruhr invasion in 1923 the Reichswehr helped to train the S.A. in orthodox military fashion. In the same year accident brought Captain Göring into touch with Hitler, and Röhm and Göring became rival military experts behind the Führer. In the autumn of 1923, when a Bavarian Nationalist, Herr von Kahr, overthrew the Social Democratic coalition in Munich and set himself up as dictator, Hitler decided in turn that his hour had come. He bitterly reproached himself for not having anticipated von Kahr, and encouraged by Göring and Röhm, who assured him that the Reichswehr would not intervene, attempted to wrest the Government from the rival dictator on the 9th November. The Reichswehr did intervene, and Röhm never forgave them. There are many points of resemblance between Hitler's abrupt action in November 1923 and his action of the 30th June, 1934, eleven years later.

During Hitler's incarceration in 1924 Röhm revived the S.A., but in a purely military sense, and placed them definitely under Ludendorff's command. On his release Hitler quarrelled finally with Ludendorff, demilitarised the S.A., placed Captain Pfeffer von Salomon in command, and Röhm retired to Bolivia as a

military instructor. But Pfeffer, a former army captain, treated Hitler with scant respect. Pfeffer, like Röhm, despite his conversion to 'socialism', could never forget that Hitler was merely a corporal in the German army. It was the failure on Röhm's part to understand the Führerprinzip, as distinct from the military principle, which ultimately cost him his life. He always regarded himself as Hitler's superior despite the latter's popular appeal. After the Munich 'Putsch', Gregor Strasser, an orator almost equal to Hitler, usurped Röhm's place as second in the party; but in 1930, after the Berlin S.A. had mutinied in a manner similar to the Munich mutiny of Saturday last, Hitler replaced Pfeffer by Röhm (who had returned from Bolivia) in January 1931. As time passed the S.A. organisation expanded mightily, and the fight between Röhm and Hitler regarding its military character was resumed. Hitler's warnings that the French would take fright if Röhm militarised the S.A. proved to be correct when in 1932 the Brüning Government forbade the wearing of uniform by the S.A. But the arch-intriguer, General von Schleicher, soon obtained the revocation of the order, issued on his own advice in the first instance. Schleicher, at that time the power behind the throne at the Reichswehr Ministry, had conceived the idea of bringing the S.A. and the Nazis into the Nationalist orbit, and exploiting a movement which he had hitherto regarded with some contempt, for his own ends.

Hitler's difficulties with the S.A. under Röhm and Pfeffer had caused him at an earlier date to set up a personal bodyguard known as the S.S. Limited in number, of magnificent physique, the S.S. in their smart black uniforms, by their discipline and training, cut even a better figure than the Reichswehr. Himmler, a Bavarian schoolmaster, commanded them. The natural consequence was fierce rivalry between the two organisations. After 1930 Hitler never again employed any bodyguard other than the S.S.

Hitler came into power in January 1933 after numerous intrigues. Schleicher had ousted Papen by a long series of ingenious moves, which ultimately brought Papen into violent conflict with Hitler and the Nazis. Papen retaliated in January 1933 by going to Hitler behind Schleicher's back and offering him the Chancellorship in the President's name, provided the Nazis would be content with a few minor posts in the Cabinet. Hitler, though depressed by his defeat at the elections, wavered an instant, and here Colonel von Bredow (another of the victims) came into the picture. He suggested to Schleicher that the army should arrest Hitler and Papen if they showed any signs of ousting Schleicher. As everybody at that time betrayed everybody else, Papen soon ascertained Bredow's plan, and Hitler, on being apprised of it, hastened to accept Papen's terms, though they seemed to his friends to amount to capitulation. He entered the Reichskanzlei with Hugenberg and his other enemies in a parliamentary Government—at least so it appeared until Röhm took action.

Röhm and Goebbels soon realised that the mob did not understand that Hitler had capitulated and sold the movement to Papen for a mess of pottage. On the contrary, public opinion assumed that Hitler's appointment as Chancellor signified the genuine triumph of national socialism. Röhm set about the real overthrow of the Constitution of Weimar. Seizing the administrative apparatus with the help of his S.A., he paved the way for the elections. Bolder spirits, like Heines and Ernst, by setting fire to the Reichstag, finally stampeded the country into the Nazi camp. Small wonder that Röhm thought that he and Hitler were 'gleichberechtigt', to say the least.

One can realise Röhm's disappointment when he found that Hitler firmly



declined from the outset to entrust him with the office of Reichswehr Minister. The military forces had hitherto stood aloof from the political struggle against him and for this Hitler was grateful to them. But though the Reichswehr showed no hostility to his régime, it gave no cordial welcome. Soon the lavish display of Röhm's pseudo-army, the multitude of S.A. staffs and staff cars and the glittering paraphernalia with which Röhm surrounded himself, gave offence to generals and officers brought up in the frugal Prussian school. After a year it began to dawn on Hitler that he would one day have to choose between the army and the S.A.

During the disarmament negotiations Röhm naturally defended the existence of the S.A. with every argument at his disposal. Not that the Chancellor was likely for his part to disband them without being secure of the loyalty of the Reichswehr. When the discussions on disarmament came to an end, Röhm resumed his pressure on Hitler to expand the army by the inclusion of those units and officers which he as Chief of the Staff should specify. Hitler went to the length of conducting a recruiting experiment with the Reichswehr. Certain areas recruited individual S.A. men in addition to their normal recruits; others recruited non-political candidates as before, while in certain cases S.A. units were taken over complete for training. Hitler was greatly impressed by the results, which showed that the army instructors could make no headway at all with complete S.A. formations. These had been trained on wrong lines. Individual S.A. recruits tended to introduce politics into the army. He decided to give the army a free hand as before in its choice of recruits. Realising that the expansion of the army was to be effected without his advice or co-operation, Röhm felt deeply aggrieved. His licentious mode of life had in the meantime led the Chancellor to remonstrate with him and his subordinates Heines and Ernst. Indeed, the indiscipline of the S.A. threatened eventually to make the régime unpopular, and it needed the personal intervention of the Chancellor to induce Röhm to intervene in the most flagrant cases. His self-indulgence finally forced Röhm to leave for a cure in Bavaria after the Chancellor's decision to put a stop to all military exercises of the S.A. was imparted to him (see my telegram No. 112 Saving,<sup>1</sup> of the 30th May). Hitler's decision that the S.A. should discard uniform during the month of July incensed Röhm (see my telegram No. 112) to such an extent that he approached the S.A. group leaders and outlined his ideas to them in strict confidence.

## II. *The Plot*

To speak of a plot is perhaps misleading. Röhm appears to have had in mind an action somewhat similar to that of February and March 1933. The S.A. would assemble in the streets, as they had done on the previous occasion, and take possession of the executive machinery. The movement would rapidly spread from the big cities and envelop the country. Beginning with this idea, Röhm seems to have elaborated it into a plan. The S.A. having overcome all opposition, Hitler would be rescued from his present colleagues in the Government and restored to his former entourage. Baron von Neurath told me yesterday that he himself and General von Blomberg were regarded by the conspirators as the reactionaries from whom it was specially desirable to rescue the Führer. The Reichswehr, Schleicher probably told him, would adhere to its role of passivity. The populace generally would be swept by a second revolutionary wave, and the Third Reich, unadulterated by outsiders like Papen, Seldte, Blomberg and Neurath, would come definitely into being. It may seem incredible that Röhm should conceive such a plan, and

<sup>1</sup> No. 433.

still more incredible that General von Schleicher should allow himself to be involved even in the slightest degree, but when it is borne in mind that the moment was not unpropitious for a variety of reasons, their action will not appear quite so astonishing. In the first place, popular apathy was so manifest in the spring that Hitler and Goebbels had to launch their summer campaign against critics and 'grousers'. This campaign had fallen flat. The economic situation was deteriorating rapidly, the Reichsbank announced empty coffers, the populace were talking of ration cards, and the Government were beginning to limit and control imports when Röhm left for Wiessee.

### III. *The Suppression*

If action were to be taken, Röhm must have realised that it should not be long delayed, and if, as Baron von Neurath told me, he had fixed on the month of August, he must have been forced to hasten the date by Herr von Papen's sudden attack on the Government at Marburg on the 17th June. It is unlikely that Papen acted in concert with Schleicher, who hated him. The immediate result of the Marburg speech was a fresh discussion between Herr Hitler, General Blomberg and President von Hindenburg, the result of which must have been decisive for Röhm and his friends. Though the President and the army approved of Papen's speech, they had no inclination to pursue the matter further. For that matter, Hitler's policy and that of the Reichswehr could not be said to conflict on any major issue, such as the necessity for a strong central Government, the retention of the capitalist system and the expansion of the army. Furthermore, Hitler's recent decision to refrain from any interference with the army, and his order to expand to 300,000 meant promotion and so added to his popularity among all ranks. Rather than weaken Germany's military strength at a critical moment like this, he would—he told General von Blomberg—break up his own political party. So long as Hitler continued to hold the balance between Left and Right, the army were ready to remain neutral, like President von Hindenburg, their Commander-in-Chief. As a result of Hitler's visit to Neudeck, Papen made his peace with him and General von Blomberg published his article in the '*Völkischer Beobachter*'. The decision taken by Hitler during the same week to reorganise the S.A. (see my despatch No. 760<sup>2</sup> of the 29th June), which may have been reported simultaneously to Röhm, would compel him to act before the 1st July, the date fixed for the temporary disbandment of his force, for he would realise that reorganisation meant demilitarisation of the S.A. The decision to retain the S.S. was a further warning. To come now to the actual plot: the Government have given no evidence in support of their statement that there was a definite conspiracy outside Röhm's immediate circle. General Göring, in his statement of the 30th June (my telegram No. 172<sup>3</sup>), declared that Hitler had decided to make an example of a rebellious clique of S.A. leaders, but he made no reference to a definite plot. There is no doubt that the first inkling of trouble was Hitler's message to Goebbels to join him in the Rhineland after midnight on the night of the 29th–30th June, sent, no doubt, on receipt of a message from Munich that trouble was brewing. The events which followed have been fully reported in my telegrams so far as they were ascertainable from the statements of the authorities. These, however, contain several loose threads. From private, but highly reliable, sources within the S.A. and S.S. organisations, it seems that Schleicher was injudicious enough to receive the visits of a number of S.A. leaders on the same day that Röhm received a

<sup>2</sup> Not printed. See No. 476, note 1.

<sup>3</sup> No. 473.

number of his ringleaders before his departure for Bavaria. Many hundreds of S.A. leaders were summoned to Munich for the morning of the 30th June. Whether all the summonses were issued by Röhm or, as is asserted in other quarters, by Hitler himself is not definitely known. The account of the eyewitness (see my despatch No. 762<sup>4</sup>) appears to be accurate in almost all respects, but residents in Munich maintain that the number of disaffected men who took to the streets in response to the slogan 'The Führer is against us' was insignificant. On the other hand, it is inconceivable that such dangerous men as Schneidhuber and Schmid, the two commanders of the Munich S.A., should have been denounced by the Bavarian Minister of the Interior were there any chance that they might prove innocent. When Hitler arrived at 5.30 a.m. on the 30th June at Wiessee, I understand that Röhm's bodyguard, sixteen in number, were so drunk as to be quite incapable of action. Even when allowance is made for his abnormal physical and presumably mental condition, it is difficult to reconcile the state of affairs at Röhm's residence on the eve of a 'Putsch' with his former military training. Röhm offered no resistance and the remainder of his bodyguard, which arrived a little later, dispersed at Hitler's order. Several hundred S.A. leaders were arrested as they arrived at Munich. Owing to the secrecy with which the accused persons were brought to Berlin and executed, it is difficult to obtain accurate details. Members of the S.S. who were present at the Lichtenfelde firing-ground contradict each other on the most simple matters of detail. Some assert that there was no court-martial and that over 100 prisoners were shot; others insist there was a court-martial of a summary kind and that only sixty were shot. The Group-Leader of Berlin, Karl Ernst, a key man in the plot, was arrested at Bremen when about to board a steamer for a pleasure cruise on which he had booked places for himself and his wife some weeks earlier. It is not clear how so important a conspirator came to be at Bremen when his presence would be vitally needed at Berlin. Röhm may have overlooked him when he made the hurried change in his plans.

While the execution of the Nazi leaders is comprehensible on grounds of general disaffection, no explanation of the deaths of persons not connected with the Nazi plot has been furnished. Herr Klausener, the most energetic of the Catholic leaders behind the scenes, was in touch with Herr von Papen, but only in his capacity as another Catholic leader, and with Papen's 'chef de cabinet', von Böse, but no evidence has been brought forward to justify their execution of [or] that of Herr von Kahr in Munich. Both General Göring and Dr. Goebbels were bitterly hostile to the Catholic movement, as well as to General von Schleicher. On the other hand, the fact that the Cabinet endorsed all the actions of the Führer during the week-end and that the Minister of Justice went out of his way to sanction all that had occurred is strong evidence that Hitler's measures were justified. Similarly, Hindenburg's approval appears to extend to the execution of all the victims. Baron von Neurath, who informed me himself that it was clear from seized documents that a 'Putsch' was to take place in August, is too serious and experienced an official to be easily misled, while the Minister of Justice, Dr. Gurtener, a man of Nationalist sympathies, but not a Nazi, is stated by all who know him to be the embodiment of sanity, common sense and uprightness. General von Schleicher was in the habit of producing a sheet of paper with the names of seventeen persons whose execution would mark his return to power. Whether he was joking or serious was difficult to say.

<sup>4</sup> Not printed.

#### IV. *The Immediate Consequences*

In the meantime the purge continues. The police, who are the old Prussian police of 'system' days under the command of reliable and moderate Nazi or Nationalist officers, have taken possession of the quarters, offices and archives of the S.A. The S.S. have confiscated considerable stocks of weapons and ammunition. The Chancellor is evidently determined to demilitarise the S.A. thoroughly on this occasion, and the new Chief of Staff, Lutze, seems to be a man of straw, while the real commander is General Daluge, a former 'system' police officer with Right sympathies who enjoys Göring's confidence. Except in Silesia, Hitler's measures have been received with genuine relief by the populace. Indeed, in certain areas and in some streets in Berlin the reappearance of the police and the disappearance of the S.A. gave rise to rumours that the Hitler régime had been overthrown. Passers-by gave vent to their feelings in no uncertain fashion.

An inevitable result of Hitler's action will be the reorganisation of the S.A. presumably into a purely political body. It seems unlikely that the police will be ousted again from their proper function of maintaining order in the State, if necessary with the help of the army. In that case the S.A. will become a kind of *claque* for use at political meetings or at demonstrations and parades. The S.S., on the other hand, young men in the prime of life, will presumably gain in prestige and importance. Hitler's promise that the State would not maintain two armies (Reichswehr and S.A.) is apparently to be fulfilled, and if, as he hopes, the rank and file of the Reichswehr soon become Nazi in allegiance, the régime will no longer have any reason to distrust the regular army. So long as the S.A. maintained their military organisation, the army regarded them as rivals with whom hostilities might break out in certain eventualities. This danger now seems to be at an end.

The more distant repercussions in a country like this are not easy to foresee. Forecasts based on the use of common sense are unreliable where common sense is the rarest of all attributes, whether of statesmen or simple citizens. If as the months elapse the Hitler régime conforms more and more to normal methods of government, as it shows some signs of doing, despite the Munich episode, the S.A. may dwindle to an insignificant body. In that case foreign Governments may feel that the expansion of the army to 300,000 men and the abolition of the supplementary army of unspecified dimensions may prove a suitable excuse for the renewal of the disarmament discussions. I cannot help feeling that if a convention is still desired the otherwise nauseating events of the week-end have improved the prospects quite considerably.

Hitler's prestige may not have suffered with the *masses*. In refined and cultured German circles the ruthless butchering of his old associates aroused mixed feelings. Heads, he always promised, would roll when he came into power. Nobody believed at the time that the heads would be those of his oldest and closest associates. To behead political opponents like Schleicher and Bredow is not merely an act of barbarism. It is a dangerous precedent, and Hitler must be very confident of the future to dismiss some of President von Hindenburg's old comrades in arms in this offhand fashion. Anxiety is now felt in the ranks of the S.S. lest their brown-shirted rivals should seek to avenge themselves not so much on the Führer as on Dr. Goebbels and General Göring, Röhm's enemies. The surviving associates of murderers like Heines and super-gangsters like Killinger (who planned and carried out the Rathenau murder), Schneidhuber, Schmid of Munich, and others, are

themselves redoubtable gangsters. Those responsible for Hitler's safety may well feel that these men are more dangerous than their Socialist or Communist adversaries of 1932, and the normal precautions for his safety must be redoubled for a long time to come.

Blood doubtless dries quickly, like an April shower on sand. Yet on Hitler's hands the stains may stay. Nor can some of the mud in which Hitler's trusted lieutenants are shown to have wallowed fail to stick to the régime itself. The squalid circumstances attending the capture of Heines and Röhm were bellowed out by the 'radio' into quiet and respectable homes all over Germany and will not easily be forgotten.

Something has changed since last week-end, and this was clear on Monday afternoon, when Hitler and Baron von Neurath drove past the Embassy through the deserted Wilhelmstrasse to make their first official visit to the King and Queen of Siam. The Führer looked pale and strange in his high hat. The police had cleared the street and had even forbidden the people to open their windows. The public were herded behind a cordon of police at a respectable distance from the Adlon Hotel at the corner of the Linden. I heard some cheering as the Dictator, followed by several motors with S.S. guards, debouched from the empty Wilhelmstrasse, but I missed the usual note of tremulous enthusiasm.

Something, too, must have changed in the man, who struck me at our first meeting, as I reported at the time, as an 'unbalanced being'. His last week-end can only have made him still less normal. Mussolini, so my Italian colleague informs me in confidence, was astonished, on telling Hitler in Venice of the assassination of the Polish Minister of the Interior, at the tremendous effect produced upon him. Hitler changed colour and muttered that that was bad news indeed and that such acts were catching.

I hear that at least two shots were fired lately at Hitler and Herr Himmler, the head of the secret police, and that the efforts to find the culprits proved fruitless. These attempts were before the 30th June. That others will follow seems highly probable.

The future outlook, then, seems gloomy for Germany, directed as she is by a now less than ever balanced Führer, who is himself flanked by two such lieutenants as Göring and Goebbels. Memories of my 'bison' afternoon with the former (see my despatch No. 696<sup>5</sup> of the 13th June) inspire me with no particular confidence on his account. As for Goebbels, his raging demagoguery is too notorious to require any special description here. Nor is the mutual hatred of these two men for one another a secret even for the man in the street. In their persons the life and death struggle between Right and Left will doubtless continue.

With these three actors playing the chief parts in the German drama, who can foretell how even the next act will end? Behind the scenes stands a factor without whose approval no real *dénouement* will be possible—I mean, the army—not that any actual *pronunciamento* is likely.

This has doubtless been the case for a long time past, but now, with blood instead of clouds on Hitler (see my despatch No. 477<sup>6</sup> of the 25th April last), more so than ever. And then again to a long list of 'imponderables' must be added the German economic situation. This, as I write, shows no signs of improvement, but I shall address you a further despatch on this subject by next week's messenger.

It will be seen that one thing only is certain, and that is the general uncertainty. The actors are too unstable, the factors too numerous and too shifting, to allow of

<sup>5</sup> No. 452.

<sup>6</sup> No. 405.

prophecy for more than a few weeks, which should bring a lull. To indulge in a guessing game on a rainy day in a country house might be amusing. To attempt any reasoned prognostication on the future course of events in Germany would be the height of unreason.

I have, &c.,  
ERIC PHIPPS<sup>7</sup>

<sup>7</sup> This despatch was minuted by Mr. Sargent and Sir R. Vansittart. Mr. Sargent wrote: 'It is, of course, extremely difficult for Sir Eric Phipps, in the absence of any reliable facts and in the face of a mass of contradictory rumours and reports, to form a definite judgment as to the real cause which brought about the murders of June 30th. But I confess that the picture which he draws in this despatch has not shaken my disbelief in the existence of a Schleicher-Röhm plot. That there was a great and growing divergence of views and policy between Hitler and Röhm, between the S.A. and Reichswehr, and between the Left wing and the Right wing, is obvious, and it was equally obvious that Hitler sooner or later would have to come down on one side or the other. But as far as I can see this despatch supplies no evidence whatsoever to show that the purge of June 30th was precipitated by the decision of Röhm and Schleicher to launch a *coup d'état* on the following day. The description of the plot on page 7 of this despatch [p. 964 above] does not read in the least convincingly, and the facts reported in the rest of the despatch do not supply anything that could be called evidence in support of it.

'On the contrary, if we are to talk of plots, I should be far more inclined to believe the account given to me by Col. Christie yesterday, according to which it was the Reichswehr and General von Fritsch who, in fact, plotted a *coup d'état* by presenting an ultimatum to Hitler which forced him to make the great betrayal, and sacrifice the S.A. and its leaders to the Reichswehr.

'But it is probable that this question of a plot will never be cleared up any more than that of the Reichstag fire, and from the point of view of practical politics the matter is of no particular importance. What is important is that the upshot of the whole matter undoubtedly is the emergence of the Reichswehr as the dominant force in Germany today. From now onwards, when we try to estimate the future course of German policy we will have to consider it primarily from the cold-blooded and strictly material point of view of the German Generals and German military opinion, and to discount more and more the emotional and hysterical outlook to which the Nazi régime has accustomed us.

'It is interesting to note that Sir E. Phipps is of opinion that this change in outlook will improve the prospects of an armaments convention. We may be better able to judge of this in the near future, when we come to recommend the scheme for an Eastern Locarno to the German Government as 'the best ground on which to resume negotiations for the conclusion of such a convention.'

Sir R. Vansittart's comments were: 'I agree with Mr. Sargent's estimate. No evidence at all of a plot is offered, only assertion from interested German sources, which this despatch simply reproduces. In my opinion there was no plot. There was a movement to the Left, well-known and quite comprehensible. There has now been a very violent movement to the Right. We may live to regret the Nazi régime, despite its flagrant faults and vices, as the smaller of two evils.

The Secretary of State saw the despatch, but wrote no comment on it.

In a private letter of July 11 to Sir O. Sargent Sir E. Phipps added further details from a German informant (unnamed) whom he regarded as entirely trustworthy. This German informant had 'little or no doubt' that 'the documentary evidence against Röhm fully justified his fate. . . . All these conspirators, though the description is hardly warranted, committed too much to paper and talked much too freely on the telephone. Some of the strongest evidence that Hitler produced in the Cabinet came from listeners at the telephone exchange.'

(No. iv)

*Sir E. Phipps (Berlin) to Sir J. Simon (Received July 18)*

*No. 813 [C 4738/29/18]*

BERLIN, *July 10, 1934*

His Majesty's Ambassador at Berlin presents his compliments to His Majesty's Secretary of State for Foreign Affairs and has the honour to transmit to him copies of two despatches from His Majesty's Consul-General, Munich, concerning the internal situation.

ENCLOSURE I IN No. (iv)

*Mr. Gainer (Munich) to Sir E. Phipps*

No. 119.

MUNICH, *July 9, 1934*

Sir,

For a long time past it has been no doubt that Hitler has been fighting a battle on two fronts. On the one, there were ranged the malcontents of his own party; on the other, the so-called forces of reaction. For long, Hitler was able to stave off serious clashes by playing one party off against the other, and by the grant, from time to time, of judicious concessions to both parties. It was always obvious, however, that the chief danger for Hitler rested in his own party malcontents, and that should it ever become necessary to take drastic action they would be struck down first.

2. At the end of last June, Hitler seems to have considered that he could delay no more, and he struck suddenly with great severity against Captain Röhm of the S.A. and his associates. But in the action against the rebellious S.A. a number of other persons lost their lives, persons who could not have had any connexion with Röhm or the S.A., and whose elimination can only be explained by motives of personal dislike or revenge.

3. The whole succession of events which then took place is still largely wrapped in mystery, but granted the general position as stated above, it may be of interest to examine certain of the theories or speculations as to the immediate cause of the Chancellor's actions which are in circulation. In doing this, I am, of course, looking at matters entirely through Bavarian spectacles, which are made in another fashion to those of Berlin.

4. There are at least three versions which are worthy of examination: (1) The official version; (2) the Royalist interpretation; and (3) the interpretation of neutral Germans. The official version, viz., that Röhm and his associates were about to attempt to overthrow the Reich Government and substitute a Government of their own; that they had been intriguing with a foreign Power, and that their morals and mode of life were such as to bring discredit on the whole movement, is one which is blindly accepted by those who as blindly accept the National Socialist régime, but by no one else. These are in a very considerable minority in Bavaria. The Royalist version, put forward by the Conservative, Catholic and Monarchist circles, is that the Reichswehr had reached the end of their patience with Röhm and the S.A., with whom both officers and men had for a long time past been on very bad terms. They, therefore, insisted that the S.A. leaders should be removed from their posts and the S.A. purged, reduced and forced back into their proper position as a private political army which had no pretensions at all

to compete with the professional army. In this demand, they were backed by the Nationalists and Bavarian Conservatives. To this demand the Chancellor was forced to consent and he entrusted the work to the S.S., who have always hated the S.A. The S.S., however, greatly exceeded their orders and took the opportunity by practising private vengeance upon their unfriends. As regards the 'plot', this interpretation does not admit of a serious plan to overthrow the Government by force or to eliminate the Chancellor. It is held that Röhm himself was anxious to co-operate with Hitler, but wished to force him to remove the non-Nazis from his present Government and to substitute his own nominees. That Schleicher was supporting Röhm in this is not believed, though he may well have been fishing in troubled waters. This interpretation may be summed up as follows: The Chancellor's action was taken against the S.A. at the instigation of the Reichswehr backed by the Nationalists, but, being entrusted to the S.S. to execute, took a turn which was neither anticipated nor desired. The Reichswehr alone managed to save Papen from elimination.

5. The third interpretation is that held by many moderate persons, and is to the effect that Hitler had come himself finally to recognise that Röhm and his ruffians must be eliminated. He first assured himself of the support of the Reichswehr, and then struck brutally and cynically against his own associates, and, as a result, is now the moral prisoner of the Reichswehr and is no more in a position alone to control events. The plot and the association with a foreign Power are held to be excuses only meant to justify the action taken.

6. Having briefly described the more important interpretations of Herr Hitler's June actions, it remains to describe the net result of them, and this can perhaps best be done by posing the following question and trying to give the answer to it, viz.: Has Herr Hitler gained, or has he lost, in prestige and, if so, how and in what circles?

7. It appeared at first as if the Chancellor's prestige had been increased by his drastic action against the malcontents of his party. The ordinary 'neutral' Bavarian was glad to see certain S.A. ruffians eliminated and an end put to a reign of terror and blackmail by the S.A., which had been a nightmare to him. The Reichswehr especially welcomed the Chancellor's thrust wholeheartedly. Gradually, however, a revulsion in feeling began to take place. It is estimated that, at and near Munich, twenty-five to thirty persons in all have been shot, and these persons can be classed as follows: (1) Adherents and friends of Röhm; (2) Monarchist Conservatives; and (3) friends of Gregor Strasser. It is, by sober-minded persons, thought impossible that persons of such varied opinions could ever concert together in a 'plot' against the existing Government, and the official version is now scouted on all sides. Students, ex-officers' associations, moderate-minded men in business and professional life, Monarchists, Catholics, &c., are thoroughly and dangerously discontented and, above all, alarmed. Especially the rank and file of the S.A. and, above all, the 'old front fighters' of the S.A. are thoroughly embittered. With these latter Röhm enjoyed great personal popularity—his morals were a side issue, they were notorious and it is not understood why they should be referred to in his obituary notice. Herr Hitler knew all the facts years ago, and yet made him a Reichsminister and entrusted him with many tasks. The old S.A. cared almost more for their Chief of Staff than they did, or do, for the leader himself, and that Röhm should have been brutally shot after his past services to the cause without being able to explain himself or produce evidence in his favour which could be impartially examined has alarmed and embittered them,



and they nurse at the moment only feelings of revenge, especially against the S.S. If ever they return to the uniformed ranks after their leave, they will have lost their revolutionary enthusiasm and their faith in the movement; if not, they will constitute a menace to the reconstruction work which Herr Hitler must now undertake.

8. The fear which is ever present is that some fanatic may try to wreak vengeance upon Hitler or, more probably, upon Himmler or Heydrich of the S.S. This would give the signal for a terrible revenge and a massacre could, it is felt, only be ended by the intervention of the armed forces of the State, which would then assume control.

9. The Monarchists say that the army, having now swept away the undesirable S.A., will await a favourable opportunity of dealing with the Goebbels-Göring combination, but will support Hitler personally—owing to his personal standing in Germany—provided he acquiesces in their demands. In any such action by the Reichswehr, it will have the support of the better elements of the population. A recent visitor to me, a person of character who holds a position of importance at Munich, told me that it was no secret, certainly not abroad, that the army had in the past year been steadily, though quietly, increasing its numbers. This increase, admittedly illegal, was, however, primarily intended for use at home and was, in fact, Germany's last hope against the Bolshevik methods of the Nazis.

10. On balance at Munich the Chancellor has lost heavily in prestige. I have spoken myself to very many persons in all walks of life and of all stations and professions, and have heard from others what they have been told, and the impression I have gained is that they feel that the recent outbreak of violence is a proof of the weakness of the present Government and that similar outbreaks would occur before the end of this year. One and all have used, in speaking to one, the word 'Vertrauen', 'we have lost our Vertrauen'. An old front fighter of the S.A. said to me that he had come to the conclusion that a limited monarchy upon English lines or a monarchy with a dictator upon Italian lines was in reality the only sound method of government. A younger S.A. man declared that his view and that of his friends was that the Chancellor had been guilty of an unparalleled act of treachery to those who placed him in the position he now occupied, a position from which no one had ever thought of removing him, in spite of the absurd rumour that Heines had been detailed out to shoot him. The wife of a Gruppenführer of the S.A., in a responsible position, told me that in her immediate circle of friends and acquaintances it was openly said that the Reichswehr was now in the ascendant, that eventually it would rule the country, but would retain Hitler as political leader.

11. There is great nervousness at Munich and an expectation that after a short period of quiet disturbances will break out anew. The Reichswehr is said to be very disgusted at the private acts of vengeance committed by the S.S., and people are asking one another who will be the next to be sacrificed to political expediency now that even Hitler's oldest friends and comrades have been butchered at his orders.

12. The two phrases which one hears upon every side are: 'We have lost our Vertrauen', and 'The Reichswehr have now the upper hand and are the real rulers of the country'.

13. The Chancellor is at Munich, at his flat, which is surrounded by the green and blue police and black S.S. guards. There is real nervousness that, if he displays himself publicly, his reception may be such that will bring the whole edifice of his

Government crashing about his ears. Munich is patrolled by the S.S. in pairs, and the comments of the passers-by are such that the S.S. must use all their self-control to refrain from retaliation.

I have, &c.,

D. ST. CLAIR GAINER

ENCLOSURE 2 IN NO. (iv)

*Mr. Gainer (Munich) to Sir E. Phipps*

No. 120.

MUNICH, July 10, 1934

Sir,

I have the honour to report, with reference to my despatch No. 119<sup>1</sup> of the 9th instant, that I am informed, upon very good authority, that amongst the officers of the Reichswehr there is great optimism, and that it is believed that the Reichswehr can now co-operate with the Chancellor in forming a National Socialist State—within reasonable limits—since the S.A. have been destroyed as a political factor. It is, however, said that the S.S. will also be purged, but by no means so drastically as was the S.A.

2. The feeling amongst the Reichswehr officers is that Hitler has given the army back its self-respect, and the army are therefore prepared to co-operate with him provided he will to some extent modify his Socialist programme and keep his followers and minor chieftains in proper subjection.

3. My informant tells me 'as an absolute fact' that what I have in my despatch under reference described as the 'Royalist' version is substantially correct, but he states, further, that Schleicher and his wife must be counted amongst the victims of the private spite of the S.S. or of certain Nazi leaders, as must von Kahr, Beck, Glaser, Zehnter, Gerlich and others at Munich. Schleicher had, in fact, no more connexion with Röhm than had von Kahr.

4. A further fact of great interest which I have learned, but which I cannot confirm, is that Goebbels insisted upon Röhm's death and overpersuaded the Chancellor to countenance it, though Hitler himself was prepared only to dismiss him or, perhaps, imprison him for a time. Further, the great majority of S.A. leaders and all the S.S. leaders who were on their way to Wiessee were invited there by telegram by Hitler himself. Röhm had invited only a few, those who were shot, not to start a 'Putsch', but to discuss the programme for the future after the S.A. holiday. Hitler thus was able immediately to surround himself by his S.A. and S.S. leaders, as he knew precisely who was to be there. He himself was accompanied by a hundred men when the arrests were made.

5. As regards August Schneidhuber, he did not receive a message either from Röhm or Hitler. He observed that the S.S. were mobilised and heard the Chancellor was expected. He therefore alarmed and paraded his own company and was shot, as it was thought he was acting under Röhm's instructions.

6. Opinion is unanimous in maintaining that the Chancellor has lost considerable ground in Bavaria and that within a short time there will be further disturbances. These will be brought about by disgruntled S.A. men, especially in the autumn. Hitler is now faced with extremely difficult economic conditions, in addition to a disturbed political situation, and it is considered in certain quarters that unless some great concession can be obtained from one or other of the Powers which will lighten his burden and please the people generally, his

<sup>1</sup> Enclosure 1 above.

situation in the winter will become desperate. It is thought, too, that small bands of discharged S.A. men, together with Socialists, Communists and other disgruntled elements, will create disturbances, throw bombs and commit acts of terrorism, which will seriously sap the remaining confidence in his ability to hold the country. Again, the only solution spoken of is the Reichswehr, it being said that it is no longer a question of Hitler with the Moderates against the Radicals or *vice versa*, but of Hitler and the better elements in Germany governing the country with a modified programme with the support of the Reichswehr. That the Reichswehr is likely to stage a 'Putsch' against Hitler is held to be absurd. One element of doubt in a situation terribly difficult to grasp is whether any peace can be patched up between the S.S. and S.A. which would enable these forces once more to unite solidly behind the Chancellor. Another is the danger of a crisis being precipitated by an act of vengeance against the Chancellor, Himmler, Heydrich or Goebbels, since the latter is held by many to be the real villain of the piece.

I have, &c.,

D. ST. CLAIR GAINER

### APPENDIX III

## Memorandum by Sir R. Vansittart on the future of Germany

[C 2335/29/18]

FOREIGN OFFICE, *April 7, 1934*

It may perhaps be asked whether the Defence Requirements Committee, in its recent report, was justified in taking Germany as the ultimate potential enemy. It is possible that such doubt may be entertained, if no opportunity has been given to see as a whole the evidence on which such a conclusion is based; and this paper is written to supply that deficiency. It does not, of course, give the whole of the evidence; for that would necessarily include a continuous and daily stream of German oration, broadcast, literature and teaching. It gives, however, a section sufficiently complete and convincing for its purpose. In order to arrive at any conclusion as to Germany's future, it is necessary, of course, to review briefly her spirit in all its aspects and directions, and not merely to confine ourselves to the points (e.g., the colonies or Locarno) at which we are most liable to have trouble with her ourselves.

The introduction shall be short. The origin of the war of 1914, in its simplest expression, was the use made by Germany of her military power to threaten the independence of her neighbours. The German adapted to this policy, besides his militarism and his ambitions ('Weltmacht oder Niedergang'), had been trained to 'a fine natural savagery,' which we thereafter all forgave, and almost forgot, for the sake of peace. The collapse of Germany was, moreover, so tremendous that the consequences of her acquired and fostered characteristics were obscured by the spectacle of her humiliation. Irritation with France led easily to the assumption that the revolution of 1918 had changed the fundamentals of German policy and German training.

There was never the slightest warrant for these assumptions, and they were not shared by anybody who knew or lived in Germany. These were, however, the years of myth, when Stresemann passed for 'a good European' (i.e., in modern German eyes, 'a bad German')—before his correspondence with the ex-Crown Prince revealed him as pursuing a policy differing little in essentials from the policy of the Third Reich or of the Hohenzollerns. So, also, Treitschke and the renegade Houston Chamberlain differ only in degree from the racial, or tribal, ferocities of the Nazi doctrines. Even Brüning, in the methods of his attempted 'Anschluss', was true to former type. The war, in fact, made no real change in the German spirit, which is indeed a continuity. It will be instructive to hear, very briefly, our successive Ambassadors at Berlin on these post-war years.

Lord D'Abernon, 1925: 'The German of today is still something of an anachronism. Over and above the atavistic instincts of the race lies the age-old habit of mercenary military service, of internecine and, finally, of foreign war, reinforced by an education and a code of honour adapted deliberately to the military ideal. . . . It is thus not astonishing that there are in this country great numbers of ordinary mankind—excellent husbands and fathers of family—who can think of foreign politics only in terms of war—the natural and honourable prerogative of man—and who cannot conceive future frontiers otherwise than on the time-honoured

scale of batteries and battalions.' And he adds, in a significant sentence, that it is 'an extremely virile and determined race smarting under the reproach of in-success—not of defeat.'

Sir Ronald Lindsay, 1927: 'The average German . . . considers the arguments in favour of peace advanced by his former adversaries as sheer hypocrisy. . . . He feels that the miseries which he has endured arose not from the war itself, but from the fact of losing it; and he would very much like to win the next war in order to be in the enviable position of retrieving his losses and of revenging himself for his previous misfortune. . . . There is a general suppressed tendency to think the exact contrary to that which the British public believes, namely, that a fresh war might do some good and cannot, in any case, do much harm. Now there are two facts in connexion with the German character upon which the builders of theories can count as a sure foundation for conjecture, and these are, firstly, that the German's meekness decreases in proportion to the increase in his moral prosperity and material well-being' (*vide* Sir E. Phipps later), 'and, secondly, that, given the impetus of discipline and organised method, he becomes aggressive. . . . The "Einheitsstaat" would lead to a Prussianisation of Germany, and a Prussianised Germany in turn means an aggressive Germany, since it would constitute a mere return to type.'

We may note the last sentence in regard to what I have said of continuity; and on the subject of Prussia, General Göring avows in the spring of 1934 that Herr Hitler 'has recognised the spirit of Potsdam and has reaffirmed it'. We must also recognise that the 'Einheitsstaat' is now an accomplished fact; the Federal States have practically disappeared. The Reichstag is no longer an active force; the Opposition political parties and newspapers have been eliminated; 'the political conception which created the Weimar Constitution has been consigned with execration to oblivion' (Sir E. Phipps, March 1934); the Nazi S.A. have been incorporated into the State; the party is the State; propaganda and wireless have been nationalised, and religion is being nationalised. Even Sir R. Lindsay, when he prophesied danger, had probably not foreseen that unification could go so far. He adds in another despatch: 'The ultimate objective of German policy is naturally and inevitably the removal of the more galling consequences of defeat. . . . The Polish Corridor, the "Anschluss", Silesia, perhaps even the Colonies, will all be attacked in their turn.'

Sir Horace Rumbold, early 1933: 'The present German Government have to rearm on land, and, as Herr Hitler explains in his memoirs, they have to lull their adversaries into such a state of coma that they will allow themselves to be engaged one by one. . . . Since he assumed office, Hitler has been as cautious and discreet as he was formerly blunt and frank. It would be misleading to base any hopes on a serious modification of the views of the Chancellor and his entourage. Hitler has, of course, sufficient meed of cunning to realise the necessity for camouflage. . . . Protestations of peace on the lines of the Chancellor's Potsdam speech are likely. . . . I have the definite impression that a deliberate policy is now being pursued. The aim of this policy is to bring Germany to a point of preparation, a jumping-off point from which she can reach solid ground before her adversaries can interfere.' Again, just a year ago, Sir H. Rumbold wrote: 'Not only is it a crime to preach pacifism or condemn militarism, but it is equally objectionable to preach international understanding.'

Sir E. Phipps, end of 1933: 'It will, in my opinion, be essential that Herr Hitler shall not be allowed to derive the impression that he can drive a wedge between

Great Britain and France.' (Cf. Sir H. Rumbold above.) 'It will continue to be to the common interest of both those Powers, despite frequent differences of method, to avoid offering Germany any undue temptation to add yet another chapter to her already all too lengthy war history.'

In January 1934 Sir E. Phipps wrote: 'Nazi Germany believes neither in the League nor in negotiation. . . . Germany's foreign policy may be said to comprise the following aims: (1) Fusion with Austria; (2) rectification of the eastern frontiers; (3) some outlet for German energy to south or east; (4) the recovery of some colonial foothold overseas. . . . A new political *bloc* of Germans, Austrians and scattered Teuton elements is to be established in the centre of Europe. . . . The new German people will be trained on radical lines. Its mode of life will be Spartan, and it will be so fanatically patriotic that when the day comes' (we heard of The Day often before 1914) 'Germany will only have to shout and the walls of Jericho will crumble. . . . When Germany is rearmed and feels secure from foreign intervention, it will be possible to take in hand the programme outlined above. . . . For the moment Germany desires peace, for the reason that she is not prepared for war. . . . Later she will presumably demand the territorial revision of the "unjust" peace treaties also as of right, and will hope to secure these *desiderata* by peaceful means or at all events by the threat of force. If these methods fail, and the "just" claims of Germany should lead to war, the blame will be laid on her enemies, with the same passionate conviction as the blame for the last war is laid today on the Powers, whose jealousy, it is sedulously suggested, encompassed the encirclement and destruction of the German Empire.'

The reports of our successive official representatives are borne out by a series of confidential and independent reports. I quoted one of them in a memorandum of last August informing us that 'there is no doubt whatever of the ultimate intentions of Germany'. It will thus be seen that, while there is continuity in the German spirit, there is an equal continuity on the part of our representatives in warning us against it: 'In the place of the men of Weimar, there are now men whose ultimate aims are much the same, but whose radically different methods may at some future date precipitate an international conflict.'

It may well be, however, that, in a matter of such importance, some are not content to be guided by the word of our successive representatives in Germany. They would like to see some of the facts on which those views are based. Let us, therefore, listen to the Germans themselves—beginning with the official ones—who, as I pointed out last year, are giving us more specific warnings than ever we had before 1914.

I have already alluded to Stresemann's aims, in 1925, upon Danzig, the Polish Corridor and Upper Silesia. Let us turn to the 1925 edition of 'Mein Kampf'. The foundation of Herr Hitler's faith is that man is a fighting animal. Pacifism is therefore the deadliest sin. The German race, had it been united in time, would now be master of the globe. The new Reich must therefore include all the Germans in Europe. (This would mean not only Austria, but South Tyrol, Memel, Czechoslovakia, Eupen, Malmédy, Luxemburg, Slesvig, German Switzerland.) Give the German nation, therefore, 6 millions of young men, perfectly trained by athletics, consumed by fanatical patriotism, educated to the maximum of aggressiveness. Germany's lost provinces can only be regained by force of arms. But Germany must not repeat the mistake of fighting all her enemies at once. She must single out the most dangerous in turn, and attack him with all her forces. 'It is the business of the Government to implant in the people feelings of manly courage

and passionate hatred.' To Hitler militarism and Prussianism are not terms of reproach, but signal titles of honour. It is a matter of naïve and implicit faith that the German people are, by this divine and jackbooted means, the predestined rulers of Europe. In time the best of Europe will be peopled and dominated by innumerable and irresistible Germans, who will have settled some old scores for good. Therefore nationalise the masses: only brute force can ensure the survival of the race: the ultimate aim of all education is to produce a German who can be converted with a minimum of training into a soldier.

Nobody who sees inside Germany can doubt that this hatred is really being instilled into every German from his and her earliest youth. It is being done directly, i.e., by calculated xenophobia in the case of specific nations, and indirectly, i.e., by the mass suggestion that all but Germans are an inferior breed, a nuisance to be conquered and kept in their proper place of subordination. Then, as I have seen a Nazi put it, 'all the world shall take its sustenance from the Being of Germany.' (It may be interesting here to note, on the subject of this superiority-complex, that Houston Chamberlain spent some time, at the beginning of this century, in proving Christ to have been a German. This side of German continuity will be dealt with when we come to the new German religion.) Race, indeed, in Hitler's pseudo-scientific mind, is everything; and there is only one race that counts (see below).

In 1929, Colonel Hierl, now Chief Organiser of the Nazi Party, published a pamphlet called 'Foundations of a German Military Policy', the substance of which is that war with Germany's former adversaries is inevitable in the long run, and that Germany must early set about regaining the necessary strength. She is now systematically regaining strength (see below).

On the 20th September, 1930, the National Socialist Party reissued, with Hitler's approval, the programme embodying its twenty-five points. The following among them are of interest in connection with Germany's foreign policy:—

Point 1: 'We demand the consolidation of all Germans into one great German State by reason of the right of nations to self-determination.'

Point 2: 'We demand equal rights for the German people with the other nations, abolition of the Peace Treaties of Versailles and Saint-Germain.'

Point 3: 'We demand land and territory (colonies) in order to feed our nation and to enable our surplus population to emigrate.' (This must be taken as a conclusive answer to the earlier Hitler, who had his doubts about overseas colonies.)

'The leaders promise, if necessary at the cost of their own lives, to carry out the foregoing points regardless of consequences. But our final aim is this: a greater Germany.'

Through the years of this stuff, which violent dreams are made on, we come to General Göring at Potsdam on the 10th March, 1934:—

'To this German people Prussia is giving the best she has, namely, ethical Prussianism, which is unthinkable without the military spirit, without that combination of virtues which distinguishes soldiers. This military spirit must be firmly founded in the Reich, so that the energies of 66 million inhabitants should be no longer dissipated, but concentrated in one hand so as to operate as a hammer blow.'

And on the 19th March Herr Himmler, Chief of the Political Police outside Prussia, declared at Munich: 'We shall remain decent and modest soldiers; but one day' (the Day again), 'when the leader permits, we shall break loose.'

These warnings are not lacking in precision. Pan-German ambitions may not be unnatural; but we cannot forget that when, in the past, Germany had attained

a commanding position, she used it to threaten the independence of her neighbours and ultimately our own existence. Nor would the Germans anyhow allow us to forget it, since they themselves proclaim, officially and unofficially, by word and by deed, their intention to 'live dangerously'. (Much of their talk of the training and purposes of a 'heroic' nation is a subconscious continuation of Nietzsche and the eighties. 'Ye shall love war better than peace, and the short war less than the long.'))

It will be interesting to look a little more closely at some of Germany's aims and professions. The Polish Corridor is a particularly interesting example, in view of the recent German-Polish agreement, wherein the initiative appears to have come from Poland, not Germany.

The essence of the matter was put plainly by Herr von Schubert (Dr. Stresemann's man, and therefore of course now dismissed) to M. Zaleski in 1927: 'No improvement in their relations could be expected until Poland had agreed to restore the Corridor and a part of Silesia.' More or less the same language was used in 1930 by Herr Treviranus and Dr. Curtius, who were certainly not extremists and who are now likewise laid aside. In 1931 Sir Horace Rumbold reported that 'a war against Poland to rectify the eastern frontiers would be in the nature of a crusade . . . one hears more and more that Germany's future lies in the east and south-east', (cf., Herr Rosenberg today). And in the same year Herr Seldte, then leader of the Stahlhelm, now Minister of Labour, laid it down that 'Germany would never be satisfied unless Poland's outlet to the sea was blocked'. It is expected, wrote our Ambassador, that 'France, having realised that Poland is more of a liability than an asset, will one day stand aside'. In 1932 our Minister in Paris reported that the French Government were asking 'where all this would end . . . The next move might well be a violation of the provisions relating to the demilitarised zone; after that it would be the Polish Corridor, then Silesia, and finally the colonial question . . . Herr von Hoesch' (then Ambassador in Paris) 'had, in fact, said as much to them quite openly, and in terms which could only be described as studiously offensive.'

In November 1933 Herr Rosenberg defined a defensive war as one 'waged in defence of men of German blood. . . . Thus a war with Poland might be a defensive war, even if Germany were technically the attackers. . . . Germany desired peace, but once she was strong enough would insist that the German minorities in other countries be treated fairly.'

The French are right as regards the demilitarised zone. It is only a question of time, at most until Germany is strong enough to prevent reoccupation, before some overt breach of treaty obligations occurs there—a matter directly concerning this country. Indeed, we have been informed by a despatch from Berlin in the middle of last month that instructions have already been given for field-works to be secretly begun.

The most interesting feature of the Polish question is its bearing on Herr Hitler's pacific protestations, in which Sir Horace Rumbold disbelieved (see above). In justice to Sir H. Rumbold's judgment, it is to be noted that Herr Hitler recently observed to the Yugoslav Minister in Berlin: 'Don't think that I have forgotten the Polish Corridor.' Let us now hear the echoes of his lieutenants.

At the beginning of December Herr Röhm circulated to S.A. leaders a confidential memorandum in which it was said that 'the negotiations with Poland merely aimed at a standstill agreement. Germany requires a breathing-space to carry through vast reforms in the civilian and military spheres. . . . All ranks in



the S.A. are to exert themselves to the utmost to prepare for the day' (again the Day) 'when Germany will be in a position to talk in a more energetic manner to Poland.' In January 1934 another leading Nazi explained: 'When the propitious moment arrives, Hitler intends to bring strong pressure to bear on the Poles, with a view to revision of the German-Polish frontiers.' That day was to be 'when Germany has a sufficiently powerful army'. The same idea lies at the back of their agricultural policy. 'In a few years', says one of its chief exponents, 'the German eastern border provinces will be settled by soldier peasants, and if the Poles prove intransigent, then Germany will be in a position to exert pressure at the right moment.' Almost the same language was used by Herr Rosenberg about the same time. A little later another secret circular was issued to the S.A.: 'It is impossible yet to say whether a conflict between the two countries will eventually be unavoidable. Germany can only hope for success if she uses the coming years to make herself the strongest Power in Europe. The military spirit in the S.A. must not be affected by the apparently pacific spirit of Germany's present foreign policy.'

It may be asked how this apparent digression on Poland affects the question whether the Defence Requirements Committee were justified in describing Germany as the ultimate potential enemy so far as this country is concerned. The answer, apart from that already given in my memorandum of last August, is two-fold: (1) That, despite agreements or pauses, it is Germany's eventual aim to execute her full and original programme, which includes points bound to affect us; (2) that Hitler's pacific assurances must be regarded with scepticism. In further confirmation of the latter statements, I would recall a recent memorandum from His Majesty's Vice-Consul at Munich: 'I was present at a social gathering when the following statements were made by officers of the Reichswehr. The persons in question were overjoyed to notice that foreigners could be so easily duped by the so-called intensive peace-campaign and occasional peace-propaganda out of the mouth of the German Chancellor.'

Once again it would be difficult to have a clearer intimation than this, which corresponds with the circulars. The Secretary of State for Foreign Affairs is fully justified in thinking it possible, in his memorandum of the 21st March, that Herr Hitler 'probably wishes also to create abroad an impression of the peaceful nature of German foreign policy, and thereby, if possible, further to divide the remnants of the war coalition.'

It may be well to add a few words on the point which more particularly concerns us, the Colonies. It will be remembered that the German Government vigorously claimed during the Peace Conference the return of Germany's colonial possessions. No German Government has ever abandoned that claim. On the contrary, even Dr. Stresemann informed Sir H. Rumbold, in the spring of 1929, that 'he did not wish it to be supposed that he was reconciled for ever to the loss of the German Colonial empire', and that 'if and when, in his opinion, the moment should come to raise this question, he would do so either through the German Ambassador in London or through myself'. The activities of the German colonial societies have been growing in intensity year by year. If the agitation is scarcely a genuine one—for the German Colonies were never settlement Colonies, and German trade with them was only about one-half of 1 per cent. of her total trade, both on the import and on the export side—the inference to be drawn therefrom is only the more ominous: it is a question of *Machtstellung* and prestige. In 1932 Sir H. Rumbold reported that the colonial question was receiving prominence in

German official circles such as it had never enjoyed in previous years. He added that 'if Germany can succeed in obtaining the cancellation of the war guilt clause, she will no doubt endeavour to use this moral reinstatement to strengthen her claim to readmission into the ranks of the colonial Powers'. In 1933 we had Herr Hugenberg's memorandum on this subject which, though withdrawn, had apparently originated with the Nazi Office for Economics. Of the members of the present régime, Herr Hitler, in at least two press interviews since he assumed office, has indicated very definitely that Germany has by no means abandoned her colonial aspirations; Baron von Neurath has publicly encouraged the activities of the colonial organisations—which have been much heartened by Lord Rothermere's articles—and Dr. Schacht has always taken a leading part in the matter. A 'Colonial Commemoration Day' is to be held on the 8th July, 1934, in connexion with the fiftieth anniversary of the founding of Germany's first colony. It is to mark the commencement of a new campaign. Here is a cause for increase of bad blood. There are two views now in Germany on the 'colonial question'. I think it may roughly be said that the elder party would like to solve it 'with England', and the younger 'in spite of England'. But they both want colonies.

In regard to German expansionist aims in other directions, I need not here enlarge upon the Austrian question. It has been fully dealt with on other occasions. Its chief interest now is the estrangement which it has caused between Germany and Italy. It is at present impossible to forecast how long this will last, or what its effect will be. Czechoslovakia is obviously threatened. The country is frightened, and Dr. Benes has no policy. Nor has anyone else. There is some doubt as to the exact extent of Nazi example and agitation among the 3 or 4 millions of German Czechs; but the possession of such a minority is a great anxiety to the ruling race. As to Memel, it will suffice to say that, if and when Hitler decides to attempt his forward policy in Eastern Europe, he will probably find Memel the easiest point at which to begin it. The date may even be advanced if he meets with a prolonged check in Austria. In North Slesvig a strong Nazi annexationist campaign is maintained, although there is no sort of doubt as to the predominantly Danish character and inclination of its inhabitants. In Eupen and Malmédy, on the contrary—here we are getting nearer home—the population is, in fact, predominantly German. If Germany were to conclude a series of non-aggression pacts, these questions would enter into the same category as the Polish Corridor already dealt with.

So much for Germany's foreign politics. I say nothing here of France, because the subject is too large and obvious a one. The same remark applies to Russia, where the establishment of the Nazi Government in Germany and Herr Rosenberg's schemes of eastward penetration have produced some singular surface changes in regard to her neighbours and the League. These changes are of course due to fear—*metu non moribus*. France, and M. Herriot in particular, builds too much upon them, from the same motive.

It may be noticed, then, that if we have taken Germany to be a potential enemy, we are in the company of most political minds in Europe. Everywhere, in fact, is to be found the anticipation that, within strictly measurable time, Germany will be practising a policy of blackmail or force.

We must next enquire what Germany has been *doing* to prepare for the Day when it may be possible to put these policies into execution. She has, of course, been rearming energetically, persistently, obviously. I need not here describe the extent of that rearmament. It has been dealt with in a very recent memorandum

by the Secretary of State for Foreign Affairs.<sup>1</sup> One or two comments, however, may be added.

(1) The budgetary law, published at the end of March, and revealed by one newspaper on the eve of extinction, shows large increases in the Army, Navy and Air Votes. Sir E. Phipps reports that it seems clear that Germany intends to take this year the preliminary steps towards achieving her minimum requirements under a disarmament convention.

(2) We know the Germans to have been recently experimenting with the use of poison gas, particularly from aeroplanes; and in this connexion I would recall that disclosures in 1927 showed the Reichswehr to have been playing with a scheme for co-operation between Germany and Russia in the manufacture of poison gas.

(3) The answer to the pretext that Germany needs 3 million S.A. and S.S. men—of a military value already superior to that of our territorials—in order to keep down communism is given in a letter from Sir E. Phipps: 'The Nazis play this Communist card *ad nauseum*. There were about 5 or 6 million Communist votes in Germany out of say 35 million. The tame citizens undoubtedly took them much more seriously than the Governments of Prussia and the Reich, who knew that all their blood-thirsty talk about revolution and retribution meant nothing. The Communists and their fighting organisation, the Rot-Front, did not put up the faintest resistance to Hitler.' Even the Austrian Socialists were more formidable. Many of the German Communists were, in effect, of the radish kind, red without and white within; and there was often change of membership between the Communist and the Nazi parties. Germany was 'saved' from nothing. If more demonstration were needed, it is supplied by the cringing creatures who went into the witness-box during the Reichstag trial. Such men are not dangerous. In the last few days, too, we have heard of the 'conversion' of those two prominent members of the former Left, Herrn Löbe and Severing—the latter once a 'strong' man—'conversions' pitifully like those Russian ones that repeat themselves at intervals in such cases as those of Tomsy and Bukharin and Rykov.

(4) The creation of the uniformed and bellicose German is completed by the measures taken to pass a rapidly increasing proportion of the youth of the country through the various 'Wehrsport' ('Military Sport') Associations, including the Hitler Youth organisation for boys from the age of 12—who are drilled by older boys in uniform—the Labour Corps, and, apart from the Brown-Shirts already dealt with, the new Blue-Shirts or Air-Sport Association. Even the Hitler Youth organisation 'manœuvre' in the country, and Wehrsport, according to a report by our Military Attaché of April 1933, includes drill and physical training, field exercises and pack marches, judging distances, miniature rifle shooting, map-reading and compass-marching, sand-table instruction, and tactics. *Gelände-übungen*, which are also in the curriculum of German youth, include scouting, attack and defence, withdrawal and pursuit, surprise and ambushes, the enemy as a rule being designated as either smuggler-bands or Communists. (I have noticed elsewhere that rifle-shooting is now described in Nazi jargon as 'national sport'—and history as 'national science'). University students—now limited in numbers, for 'Mein Kampf' declares intelligence of secondary importance in the individual and intellectualism undesirable—are required to go into camps for drill, and they must take up a six months' course of practical work connected with the needs of the nation at large. 'The process', (of militarisation) wrote Sir H. Rumbold a year ago, 'will be applied continuously from the age of 12 till the man becomes too old

<sup>1</sup> No. 363.

for service in the field. It will be seen that a supply of instructors and an organisation to handle complete classes of the nation, quite independent of the Reichswehr, have been created. The cumulative effect of these measures will be to produce a very large reserve of personnel, who will require little further training to take their places in the armed forces of the country on the outbreak of war.'

(5) Germany has been placing orders in Denmark for cavalry horses and knapsacks, which indicate an intention to expand her army in any case. Apart from this it is impossible not to notice the swollen purchases of raw material recently made by Germany. Some of these purchases are accounted for by the replacement of depleted stocks, but not all. Among the latter is toluol, the basis of T.N.T. Here the creation of a war reserve is obviously being pursued. German imports of nickel in 1933 were larger than in any other post-war year. Some 1,500 to 2,000 tons of this have been absorbed by an issue of nickel coinage; but this creates a permanent reserve of nickel in the country, and is a measure which has been advocated in the German press for this purpose. Sir Arthur Balfour states that, to his personal knowledge, the German Government has purchased, in the last six months of 1933, the total stocks of ores of certain ferro-alloys. In the case of vanadium this amounts to 4,000 tons—more than a normal year's consumption for the whole of German industry. Sir Arthur Balfour also claims knowledge of an import of 40,000 tons of copper by the German Government in 1933, which would bring its reserve of copper to over 100,000 tons. Sir Reginald Wingate, chairman of the Katanga Mines in the Belgian Congo, confirms that Germany has been the principal purchaser of copper from the Company in 1933. Last summer Sir A. Geddes gave me similar information. Very large recent purchases of scrap by Germany are a feature of the scrap metal market. A British metal merchant, present in January at German-Dutch negotiations for the purchase of tin, states that one of the conditions of the German representatives was that a year's supply of tin should be kept in Germany as an emergency reserve. With reference to all the foregoing it should be noted that the Acting British Consul at Pittsburg reports that, while on business in Germany last summer, several industrialists expressed the view to him that, if Germany had had the necessary raw materials for the manufacture of munitions during the past war, her position would have been impregnable. For the next war this position was to be rectified by the purchase of all available scrap.

Finally, under this heading, I would refer to the latest report,<sup>2</sup> which is of such unquestionable significance that I must quote its most important findings. 'There is no doubt that, soon after the departure of the Inter-Allied Military Control Commission in 1927, Germany began taking steps to create a powerful armament industry. . . .' (I repeat that Germany has always had a consecutive spirit.) 'Ever since 1927 the Germans have been engaged on plans for industrial mobilisation, albeit with the greatest care to avoid publicity. . . . The policy adopted appears to be that of evading the Treaty up to the limits of the probable endurance of the other signatories.' (Part of Hitler's prestige is due to the fact that he has taught Germany that there are no limits.) 'Many entirely fresh workshops and factories have been absorbed into armament production. . . . The Germans have created a very comprehensive armament industry.' (It will become more comprehensive as they secure orders abroad, e.g., in China, as is now happening.) 'With regard to chemical warfare, plant exists for the manufacture of military toxic substances. . . There is no doubt that the German chemical industry is in a position to fulfil all

<sup>2</sup> The report referred to here was drawn up by an official committee.

requirements. . . .’ In regard to the navy, ‘considerably larger stocks than were authorised of medium and heavy guns, anti-aircraft guns and ammunition have been manufactured . . .’ (for the army). ‘Since the advent of the Nazi Government, the capacity of the German aircraft industry has been increased by 50 per cent. in one year. . . . As German industry is controlled by the Reich, the financing of the manufacture of munitions is facilitated, and other nations are precluded from tracing each expenditure. . . . The second foundation of industrial expansion in an emergency consists of the placing of educational orders with industry in peace. This is being carried out on a preconceived plan. . . . Not only have all types of military aircraft been constructed in series, but plans have been made for their mass production in time of war. . . . Special measures have been taken to expand still further. . . . A number of new plants have been opened up. . . . Preparation for the manufacture of aero-engines is reported to have begun in certain factories hitherto employed on other work. . . . A secret circular shows that the German Government is endeavouring to evolve types of sports and commercial aircraft which in time of war may be rapidly converted into definite military aeroplanes. . . . The expansion of the industry, which is still continuing, is in no sense a natural industrial development. Its justification lies solely in orders placed on behalf of the Reich, or Nazi organisations, for aircraft of these types and for definite naval and military machines. . . . A secret governmental technical organisation working under cover of a civil firm—Fertigung G.m.b.H. (i.e., Preparations, Limited)’—the name at least is frank—‘is arranging for the mass production of military aircraft. . . . The principle of manufacturing complete component units in different factories for assembly elsewhere is even now being applied in the construction of certain heavy triple-engined aircraft capable of use as day and night bombing aeroplanes. . . .’

No facts could speak a plainer language; and it may well be asked why Germany prefers building up munition reserves and making unmistakable preparations for war in all its phases to paying her commercial debts. This question takes us to her financial and economic policy in its bearing on the conclusion of the Defence Requirements Committee. I will only touch briefly those points of it which plainly bear upon that conclusion.

In its broad lines this policy represents rather a development of, than an innovation, the policy pursued by former German Governments. Two aspects of this policy are of interest to the outside world: (1) Foreign debts; (2) Autarky, or the economic self-sufficiency of the Reich.

Before Hitler’s accession, he and his henchmen used to declare that, while political debts (i.e., reparations) could not be recognised, commercial obligations would be fully honoured. This has not lasted long. A moratorium was imposed by the German Government last summer. Further pressure is to be applied to the creditors this month; and, judging from recent utterances by Dr. Schacht and Herr Funk, the aim of the German Government is so progressively to overcome the resistance of the creditors that, for the sake of peace, they will agree to take nothing or next to nothing. Shorn of all diplomatic phraseology, that is rearmament via fraudulent bankruptcy. It is pertinent to ask why Germany will have twice since the war succeeded in extinguishing her financial liabilities, while at the same time carrying out internal reconstruction and development at the expense of others. As an American creditor has put it: ‘We have already had the honour of financing the industrial and economic rehabilitation of Germany; we are now to have thrust upon us the doubtful honour of financing also German

rearmament.' Germany is, in fact, according to the latest information in my possession, taking a leaf out of the Russian book. She, too, by defaulting on her foreign debts and building up her national economy on an internal currency, counts on maintaining herself and on gradually creating a great military and air force. Foreign investments in Germany (about £750 million) are become hostages to fortune.

As to 'autarky,' this is no Nazi innovation, but a continuity. Already, under the Governments of Brüning, Papen and Schleicher, was begun the endeavour to make Germany independent of the import of foreign food-stuffs. So well were the foundations laid that 1933 was the first year since the late '70's during which it was unnecessary for Germany to import cereals from foreign countries. This self-sufficiency is to be extended to other spheres of economic national life. Germany has learnt a lesson from the last war, and will be less vulnerable in future. Autarky, however, must lead first to a lowering of the standard of living in Germany, and then to a cheapening of German goods, resulting in dumping (as threatened by Herr Funk on the 27th March). This dumping must in turn lead to acrimony and counter-measures, by which the present international situation can only be aggravated.

The foregoing relates mostly to official or housetop policy. It is yet more instructive to descend from the housetops and to look inside the houses and [at] their inhabitants. What happens there is the most important of all—and is also the most ominous of German symptoms. The subject can only be briefly dealt with here; but the random samples submitted are of a kind as plentiful as evidence of Soviet propaganda; anyone can collect more for himself. We had better begin with the new religion.

Herr Rosenberg has been appointed Supervisor of the spiritual education of the entire N.S.D.A.P.—an appointment not without humour to those of us who have met Herr Rosenberg. The Pope has placed his book on the Index, and has described these original tendencies as 'a new view of life leading away from Christ and back to heathenism . . . not only a false Christianity, but a real paganism'. This is in great measure true. Something of Christ is to be preserved—how much is not clear—but He is to be endowed with more 'virility' and compounded with Wotan or some other deadly Wagnerian God, to become in fact a fighting deity and a pure and 'heroic' German (*vide* Houston Chamberlain above). That word 'heroic' is much in the modern German mouth; and it has been wisely observed in one of our most recent confidential reports that 'in the Prussian mentality the terms "heroic" and "aggressive" are practically synonyms. The whole nation is to be unified and standardised into the heroic.' This blasphemous nonsense cannot be disregarded: Herr Rosenberg is, strangely enough, no laughing matter. The purification of humour does not exist in Germany.

In a memorandum which I wrote four years ago for His Majesty's Government, I described the Nazis as 'ridiculously dangerous'. Said Reichbishop Müller last February: 'National Socialists want to be Christians and to fight as Christians.' The new religion is full of fighting, e.g., 'God Songs for Germans', a 'German' adaptation of the Psalms in which the author, after repeating that Christ is purely Aryan and that Christianity must be Germanised if Christianity is to be retained, remoulds the deity to a war-god with a preference for Potsdam, and adapts the text to his own brand of general xenophobia. I turn to another book, 'The Christian Statesman: A Theology of Nationalism'. The thesis is simple: Germany is destined to rule the whole world, or, at least, the whole of Europe. 'The German

Empire is the pre-condition of the coming of Christ.' 'The Germans are the successors of the Romans.' 'The League of Nations is an expression of the decay of the *bourgeoisie* epoch of the West European race.' There is no equality of nations: 'If the Polish nation would put itself on the same level as the German, that would not be just, but silly. . . . What is not equal has no equality of rights. . . . The German nation must rise, great and outstanding, above the others. . . . We Germans come first. . . . We are not equal to others, we are Germans. . . . Warfare is our art and ruling our profession.' The new God, it is explicitly declared at the end, is to see to this.

The neighbours of Germany naturally ask themselves uneasily where these daily doses of religious megalomania are leading. A comparison with Russia is interesting. The youth of Russia has been systematically told (1) that it must have no god; (2) that the outside world is rotten; (3) contradictorily, that in spite of this the outside world is on the point of attacking Russia in full force and that youth must be prepared to defend itself. The German youth is being informed (1) that he must have for god a bellicose 'go-getter'; (2) that the outside world is rotten; (3) that God prescribes a Holy War in which a race of energumens, perfervid with hate, is to burst out and subjugate these Helot races. And, of course, the 'Christian Statesman' is to destroy France. It can be understood that a resident in Germany recently remarked to me that on these topics 'the nicest of her friends seemed to have become a little mad'. Of the two madresses with method, the Russian is, on form, clearly the less dangerous; and there is, of course, no possible comparison between German and Russian efficiency. This has been recognised in the priorities of the Defence Requirements Committee.

Passing now to the subject of general education, we find that Point 20 of the original and notorious Twenty-five Points of National Socialism provides that 'the national idea must be inculcated into children as soon as they reach the age of reason'. Dr. Frick, Reichminister of the Interior, has recently re-emphasised this: 'The national revolution has placed before the German schools a new ideal—the production of the political being, whose every thought and act should proceed from work and sacrifice on behalf of his nation.' This is being effectively carried out, but a good deal more than the national idea is being inculcated. Let us begin with the teachers. I quote from a Berlin consular report of January 1934. 'The twenty-six different teaching principles have been unified in one, viz., to model the German teacher as a Storm Troop leader of the German people.' And Dr. Frick chimes in again that the idea of arms must be impressed on the adolescent, and that open-air exercises must be used as the stalking-horse. 'The Nazification of education is proceeding apace,' wrote Sir E. Phipps in January 1934. The Statthalter of Saxony explains it: 'The German youth must receive the education suited to the needs of a heroic nation.' (We have been told what 'heroic' means.) School libraries are being cleared; history must be re-written, says that educational authority, Herr Rosenberg, though the new version will not be available until 1935; the historic students' corps—duelling reinstated—are now all drawn into the S.A. 'German opinion must be moulded into a compact, undissenting mass', declares Dr. Goebbels. Let us take an example of how this is being done. How is history being rewritten? What books are replacing those of which the libraries have been 'purged'?

As a foreword we should place on record that Hitlerism has been based on nothing but false history; without this conscious distortion it would have been impossible. As Germany is making a religion, so she is making a legend, with its

saints and martyrs. 'Unlike other legends, this legend is new and burning and contemporary.' It is built on racialism and xenophobia, and, being thorough, the Germans are making this a matter of text-books and educational method. American text-books were bad enough, but at least they falsified a distant past. In Germany the school text-books have descended to the dangerous type that perpetuates the spirit of the late war.

An example, 'The Awakening of Germany', by Herr von Fikenscher, with appendix by Herr Karl Ruger, is available, a forerunner of the promised flood of 1935. It is published with the warm approval of Herr Schemm, the Bavarian Nazi Minister of Education, and covers the period 1914-33. It is a farrago of falsehood, hatred, hysteria, militarism, revenge for little folks, with illustrations, object-lessons and songs, unworthy of notice but for the fact that 'this type of teaching is now nation-wide'. I take one children's song as an example:—

'Storm, storm, storm!  
Sound the bells from tower to tower,  
Call the men, the young, the old;  
Call the sleepers from their rooms;  
Call the girls down the stairs;  
Call the mothers from the cradles;  
The air shall roar and yell;  
Raving, raving thunder of revenge!  
Call the dead from their vaults.  
Germany awake.'

When General Göring said: 'Already Germany is morally rearmed', he did not say too much. The voice of the new deity is the voice of the new pedagogue, as undismissing as Dr. Goebbels could desire. What other country speaks like this? 'The Times' correspondent—a moderate and balanced critic—describes Germany as 'the spiritual area of a people who have not yet passed through stages which the Western countries have left behind'. This view accords with that of the Vatican.

It is natural here to refer also to the crude ferocities of Professor Banse, who seems to have gone beyond the average German teacher in forgetting that in this new military science 'special care is necessary in order to know what should and what should not be said'. The quotation is from one of his reviewers, who declares reproachfully that Banse has given the show away. The professor has, however, already received so much attention in this country, that the German Government have nominally—but not really—withdrawn two—but not all—of his books. It is no more possible to withdraw Banse from circulation than it is to withdraw Hitler's 'Mein Kampf'. Both express the same military philosophy. Both are the representative orthodoxy of the Nazi party. Banse can be easily summarised. His thesis is that of a recent, and repeated, German broadcast under the direction of Dr. Goebbels: 'Wir wollen die Welt beherrschen', we mean to dominate the world; and here I refer back to the 'Theology of Nationalism', which I have already quoted. This is but more of the grammar of consent. The professor discards any official pretence that German rearmament is for defence; and he has, of course, with him General von Reichenau, who has recently affirmed that, particularly in the air, offence is the best form of defence—an old saw with a new edge. A few examples of him will suffice: Germany is to be extended 'far' beyond the boundaries of 1914; the future wars to this end must include spiritual as well as material preparation (here he links up with the new deity); virile nations must always fight



again, particularly when they have lost, and for this the whole people must be mentally prepared, 'welded together' to a 'feverish mass of blood and iron'. (Compare Dr. Goebbels.) As to education—and here he links up with the new pedagogy—it is not a question of chunks of knowledge but of 'pouring steel into the nerves' of the German people. This, and much more, is presented to the willing public in a strangely inflated, pseudo-scientific style: the new pedagogy has yet to produce a German who can write prose. The importance of Banse is not the man or his writings, but that no one can look through the calendars of German universities, or take account of the curricula of high schools, and even the primary schools, without realising that the ideas, the spiritual attitude, of Professor Banse are a normal feature of the new teaching, which the Nazis have introduced as a vital and obligatory part of all German education. Every man in the streets of Germany's neighbours feels uneasily with the Catholic Bishop of Berlin that 'satanic literature is sprouting up everywhere like fungus after rain'. There is but one possible comment on this, and it was made 1,900 years ago. 'People who are fed on this stuff', wrote Petronius, 'can no more be sensible than people who live in the kitchen can be savoury.'

The foregoing gives some account of Germany as seen both from without and within, of this 'oligarchy under the general supervision of a dictator', as Sir E. Phipps sums it up. What I have recorded is partly a series of facts. Where I have recorded opinions, they are the opinions of those best qualified to judge. The facts can only be questioned with closed eyes; the witnesses are there to be questioned with eyes open. These facts will be succeeded by other facts, but the conclusions will remain. The evidence at present is overwhelming. There may be a change of heart, although, as I have shown above, the German spirit has been a continuity for the last seventy years—since Germany felt her strength, in fact. Such hopes may be entertained; but at best, as in Soviet Russia:

*'Quo semel est imbuta recens servabit odorem*

*Testa diu.'*

*'The wine-jar will long keep the flavour with which it was imbued when it was new.'*

Some relaxation in the signs of eventual aggression might emerge from any collision between evolutionists and revolutionists in the N.S.D.A.P., or from a weakening of Hitler's position due to the disillusionments and internal frictions—economic, ecclesiastical—which, according to Sir E. Phipps's despatches at the end of March, appear to be growing. Fresh waves of revolution are possible; the revolutionists would seem to have slightly the better of the argument so far. Personally, I doubt whether anything much would be gained by a weakening of Hitler—on the contrary. No one could foretell any definite gain from a triumph of the 'Radicals', that is, the real National Socialists, who do not think that revolution has gone far enough. It may be so; it may be that these would think as much of social change as of militarism. It is hard, however, to see much peaceful promise in such a Radical as Goebbels—or in Ley, Darré, Röhm, leader of the S.A., Himmler, leader of the S.S., Wagner, Schemm, and Frank. Goebbels's views have already been demonstrated; the calculated tendencies of Darré's agricultural policy are already known. Röhm is frankly brutish. I have shown Schemm to favour the perversion of the young. Frank's provocative performance in Austria will be remembered. Hess, Hitler's right-hand man, appears to be doubtful. On the other hand, the Relative Reactionaries, such as Göring, Siebert,

Epp, Esser, are sometimes thought to have an understanding with the Nationalists of the old régime; and little more than a year ago we were mostly inclined to consider the Nationalists a greater eventual menace to the outside world than the National Socialists. To take a representative pair, I would consider Herr von Bülow, the head of the regular German Foreign Office, more dangerous than Herr Rosenberg, the head of the Nazi Foreign Office (*vide* the former's attempt to reinterpret and modify the terms of the agreed summary of the Berlin disarmament conversations). The Nazi revolution was essentially a lower middle-class movement; the proletariat is not yet fully incorporated. What will be the result when that is achieved? The former is, of course, much more the bellicose element. It is difficult, therefore, to see how, out of any internal confusion, any greater assurance to Germany's neighbours is exactly predictable.

It is, therefore, also difficult to see how, on such evidence, the Defence Requirements Committee could have come to any conclusion other than that whereby 'we take Germany as the ultimate potential enemy against whom our "long range" defence policy must be directed'. I submit that my colleagues made a fair statement of a situation created wholly by Nazi Germany herself. It is conceivable that Germany may take a turn for the better, when the dust, the shouting and parading subside; that the fever may pass, instead of being endemic as most good judges of Germany suspect. Meanwhile, greatly as convalescence would relieve and delight us, we cannot consider a malady in the light of symptoms which have not appeared. We have to take the Nazi régime as we find it, an established fact. In modern times, when a ruthless régime is once on top, in possession of all the superior mechanical devices for destruction and prepared to use them, counter-revolution has a poor chance. Again we may compare Germany with Russia—though there is probably more enthusiasm for the German than the Russian oligarchy.

I would further submit that we took [*sic*] no immediately alarmist view. According to a recent confidential report, Germany's evolution will pass through two phases: (1) A phase of internal reform, regrouping of the population, and general training of the race; (2) the expansionist phase, the latter to begin when the 'land-hungry' surplus of agricultural population—artificially created—requires more land. I interpolate 'artificially created' because the German population is not normally increasing in any marked degree whatever. The increase is being stimulated, as in Italy. (A little while ago I came across a book by a German authoress, protesting against the flower-pot position to which a 'heroic' race was consigning her sex; but even she wandered off into a diatribe on the necessity of conquering and populating the Slav east.) With the view expressed in this confidential report few of those who study Germany would, I think, dissent—few certainly of my colleagues in His Majesty's Diplomatic Service, or any other Diplomatic Service.

There is probably no *immediate* danger. As the Defence Requirements Committee put it: 'We have time, though not too much time, to make defensive preparations.' Opinions must necessarily vary and depart into the realms of prophecy in estimating the length of that first period. The Germans are too competent, and matters are now moving too fast, to make a long estimate a safe one. The world has never seen a more formidable organisation; and this paper is showing it in its infancy. While it is getting over its growing pains, Hitler will be primarily occupied with domestic reorganisation. One thing admits no query: the proclaimed ends of present Nazi Germany can only be realised as the result of great sacrifices of, or on the part of, other Powers, including ourselves. Bearing this in mind, we must necessarily also remember that Sir H. Rumbold and Sir E. Phipps have both

warned us against German protestations of pacifism. The former told us that Germany needs peace until she has recovered her strength. In January this year Sir E. Phipps wrote: 'Germany will continue to need peace until she has rearmed, and until prosperity returns.' On this point I will conclude my quotations from the German by a typical passage from 'Deutsche Wehr' (the German Army), a weekly of nearly forty years standing, and formerly entitled 'The German Officers' Gazette': 'The Great War taught us that all agreements and pacts between the different nations are merely valid in peace time, but not in the event of war, even in those cases where the enemy relies very strongly upon them.'

In view of this paper and others that have preceded and, I fear, may follow it, I would beg leave, in conclusion, to say a word on behalf of those who work with me in the Foreign Office who have seen this evidence and have faced the inferences.

I have heard it suggested, particularly in the City, whose policy in respect of Germany has been a mill-stone round the neck of this country (see above), that the Foreign Office is anti-German and pro-French.

It goes without saying that no capable or trustworthy public servant can be pro- or anti- any foreign country. It is his business to think of the interests and policy of his own country and of the Government that directs it. It is his responsibility to record and present facts, however unpalatable, nor is it his fault or desire that the facts should point in one direction.

To many, including myself, it may indeed seem not unnatural that Germany should wish to recover part at least of what she had, and I have in the past made no secret of my view that a 'long-range' policy must aim at the reconciliation of revisionist ideas with anti-revisionist fears and obstinacy.

But Nazi Germany has rudely disturbed the atmosphere in which alone such a consummation can in peace-time be achieved, and her citizens are daily being inoculated *en masse* with the fanatical doctrine that force is not only the sole but the intrinsically noble and desirable means of realising her ambitions. The League of Nations stands for a diametrically opposite political belief. That is why Germany left Geneva. Even if she returns under prayer and pressure, these ambitions and these consequences will not be changed unless she changes her heart and her teaching of the rising generation. There lies the only acceptable test.

ROBERT VANSITTART

#### APPENDIX IV

### Additional correspondence relating to the assassination of Dr. Dollfuss

*Mr. Newton (Berlin) to Sir J. Simon (Received August 7)*

*No. 916 [R 4365/37/3]*

BERLIN, August 2, 1934

Sir,

I have the honour to transmit to you herewith copies of two despatches numbered 132 and 135 in which His Majesty's Consul-General at Munich discusses German complicity in the murder of Herr Dollfuss and the attempt to start a general rising in Austria. A copy of a third despatch, No. 133, is also enclosed.

2. While not prepared to endorse the general belief in German complicity held in Munich, Mr. Gainer adduces as the main evidence of guilty foreknowledge on the part, at any rate, of the Austrian legionaries, the exceptional and suspicious activity which they unquestionably displayed on the 25th July and the days immediately preceding. Mr. Gainer refers also to the rumours that a raid was about to take place, and that bombs were being smuggled into Austria. The first rumour is confirmed in his despatch No. 133; the second has been confirmed by the evidence obtained by the Swiss police of an attempt—evidently not an isolated attempt—to smuggle explosives into Austria through Swiss territory (see my telegram No. 173 Saving,<sup>1</sup> of the 30th July). In addition to these indisputable facts, I have been informed in confidence by the Austrian Chargé d'Affaires that considerable quantities of ekrasit<sup>2</sup>—some 100 kilog.—emanating from Germany have been seized in Austria. The closest control over such a high explosive is maintained in Germany, so that it is hardly possible to believe that so large a quantity could have been exported without official connivance. A previous case of a discovery in Austria of ammonal labelled with a German official address, in regard to which a denial was issued in the German press, formed the subject of Sir Eric Phipps's letter to Mr. Sargent of the 20th June.<sup>3</sup>

3. Other evidence of fact is the issue and withdrawal of the statement summarised in my telegram No. 206.<sup>4</sup> Apart from its issue, which is a question of fact, its length and the promptitude of its appearance suggest that it may have been prepared in advance. Finally, there is the fact of the German Minister in Vienna being requested, and consenting, to act as witness in an agreement intended to secure a safe conduct for the conspirators in return for the release of their victims. That the last words of the two men executed were 'We are dying for Germany. Long live Hitler' might also bear a compromising interpretation.

4. In addition to the foregoing facts, I have heard from two reliable sources that during the last few weeks Dr. Goebbels predicted that there would be a rising in Austria within a month. Threats were also allowed to appear in the German press and wireless that the first executions in Austria under the new law prohibiting the possession of arms would be the signal for an uprising.

<sup>1</sup> Not printed.

<sup>2</sup> i.e. ecrasite.

<sup>3</sup> Not printed.

<sup>4</sup> No. 540.

5. Apart, however, from any evidence of inference or of hearsay, the known facts make it difficult to avoid the conclusion that the Austrian Legion aided and abetted the 'Putsch' and that the German authorities must have been aware that they were doing so. Even if they could disprove such guilty foreknowledge, they can presumably not escape a measure of responsibility for the action of legionaries whom they sheltered on German soil. From the measures hurriedly taken to dissociate themselves from an attempt which had failed, it is clear that the German Government realised how black was the case against them.

6. While I have thought that it may be useful to recite the foregoing evidence, the future is of more importance than the past, and no doubt the main concern of His Majesty's Government will be the extent to which good may come of evil and a real change for the better take place in Germany's policy towards Austria. While Germany's eventual aim will doubtless continue to be if not an actual 'Anschluss' at least an Austrian 'Gleichschaltung', there are some reasons for hoping that recent measures do betoken a definite intention to adopt more legitimate methods.

7. The Italian Ambassador has told me in confidence that, although at the meeting between Hitler and Mussolini both statesmen merely stated and maintained their respective points of view in regard to Austria, nevertheless, he understands that, at a subsequent Cabinet meeting, Hitler announced that a change must take place in Germany's behaviour to Austria. It may be that the extremists were not content to make this change without a final attempt to achieve success and that therefore his announcement precipitated what occurred. Mr. Gainer says at the end of his despatch No. 135 that there is great satisfaction in the German Nazi party at the disappearance of Dr. Dollfuss and that the unofficial comments upon the tragedy are very different from the official expressions of regret and horror. It looks, therefore, as though the extremists were unrepentant. Nevertheless, they have been discredited by failure, while, by the dismissal of Habicht, the restraint placed upon the Austrian Legion and the other measures announced to mark the dissociation of the German Government with events in Austria, they have been publicly disavowed. They must feel that they have been compelled to leave their fellow-Nazis in Austria in the lurch and no doubt this feeling is shared in Austria. On Hitler's own position in the party such feelings cannot be without effect. That, however, is another story, and the blow to his prestige does not so much diminish the likelihood that the change of course will be maintained as show that he ought to have insisted on it sooner. If, by a murderous *coup*, it was hoped to retrieve the prestige lost by the party on the 30th June, the greater must be the disillusionment caused by this further discrediting of National Socialism.

8. My letter of the 31st July<sup>5</sup> going to Mr. Sargent by the bag containing this despatch gives other reasons for the hope that a real change is intended in German policy towards Austria. According to the information therein particularised, it was only in consideration of such a change that Herr von Papen accepted his special mission to Austria. Unfortunately, it must be admitted that, however excellent Herr von Papen's intentions may be, his record is not such as to inspire confidence in his capacity to discharge a statesmanlike mission.

9. A third reason for hoping that the change will be maintained is a report derived from a good source that, on hearing of the Austrian 'Putsch', the Reichswehr intimated strongly to the Chancellor that international embroilments must be avoided. While I have not been able to check this report, it seems to be in-

<sup>5</sup> No. 550.

herently likely and, in view of the growing political influence of the Reichswehr, to afford ground for hope that prudence will continue to prevail.

10. One interesting feature has been the freedom and exactitude with which the hostile comments of the English, French and Italian press have been reproduced in the German press. For example, 'The Times' comment that such doings as those of the 30th June in Germany and the 25th July in Austria would make National Socialism stink in the nostrils of the world was faithfully reproduced even in the 'Völkischer Beobachter'. I would like to think that behind this frankness there was some thought of educating the German public to a realisation of the need for change of policy. I fear, however, that such an interpretation might be over-optimistic and that, whatever the effect on thinking people may, in fact, be, the intention is rather to show German readers that Germany, being friendless, must make herself all the stronger.

11. I am sending a copy of this despatch by bag to His Majesty's Minister at Vienna.

I have, &c.,  
B. C. NEWTON

ENCLOSURE I

*Mr. Gainer (Munich) to Mr. Newton*

No. 132

MUNICH, July 27, 1934

Sir,

With reference to my despatch No. 130<sup>1</sup> of yesterday's date on the subject of the Austrian Legion in Bavaria, I have the honour to report that my Italian colleague called upon me this morning and stated he was making enquiries in order to ascertain whether the headquarters of the Austrian Nazi party at Munich had prior knowledge of, or even had planned, the murder of Dr. Dollfuss, and, if so, whether the German Government might not also have had some cognisance of the *coup de main* at Vienna. He asked me my views. I replied that on Saturday, the 21st instant, my Austrian colleague had been to see me, and had told me that his Legation at Berlin had requested him to confirm or deny rumours which had reached the Austrian Minister that there was considerable activity at Austrian headquarters at Munich. I had told Baron Engerth that I had heard a number of rumours, which were rumours to which I had become accustomed, that a raid would shortly take place over the frontier, that bombs were being smuggled into Austria and that the Legion were growing insistent upon action. I had also observed considerable numbers of Austrian legionaries in uniform and several Austrian lorries loaded with unknown material, which appeared to be making for the frontier. I had, however, been informed that the Austrian Nazi party was anxious to stage some kind of demonstration near the frontier in view of the trials of Nazi prisoners then taking place in Austria and the possibility of the death sentence being passed. I had further said that I had been informed that the German authorities had refused to allow the legionaries to approach nearer than two kilom. to the frontier, and that I had no real evidence that any raid was being planned.

2. On the afternoon of the 25th, when events at Vienna became known, I received information from a reliable source that the Austrian Legion had been ordered by the Austrian Nazi headquarters to stand to and that they had been

<sup>1</sup> Not printed.

given steel helmets and rifles. On that same evening many motor cars and motor lorries were observed outside the Austrian offices, and it was obvious that intense excitement prevailed.

3. I myself did not believe that the murder of Dr. Dollfuss was either planned from Munich or that the Austrian headquarters had any knowledge that it would take place. On the other hand, there were certain factors which might cause reasonable suspicion, in view of the whole history of the anti-Austrian campaign. These were as follows:—

- (1) The activity in the Austrian headquarters had been evident since Saturday, the 21st, and rumours of it had reached Berlin, as stated by Baron Engerth.
- (2) This activity might have been connected merely with a demonstration, but equally well with exact knowledge of what was to take place.
- (3) I had been informed that the Legion were not allowed to approach nearer than two kilom. to the frontier, and that these orders had been issued by the German authorities prior to the *coup de main* in Vienna, though they might well have been issued merely as a measure of general precaution.
- (4) A report had reached me to the effect that those responsible for Dr. Dollfuss's murder were legionaries who had crossed the frontier some time before from Bad Aibling, where there is an encampment of the Austrian Legion.
- (5) I had myself observed lorries conveying legionaries proceeding in the direction of the frontier both on Saturday and Sunday, and my observations had been confirmed by other people.

4. In favour of the Austrian headquarters it might, however, be urged that the general alarm was only given after the event, and that it was after the event that the Legion were so ready to march. Had the Austrian headquarters really planned the *coup* in the expectation that it would succeed, there is no doubt that the Legion would have been ready to march at a moment's notice, and would have been 'alarmed' several days before. All the information which had reached me tended to show that the Austrian headquarters and the Legion were taken by surprise.

5. Signor Pittalis, while in general understanding my point of view, said that he was not satisfied that the Austrian headquarters at Munich were ignorant of the fact that a *coup de main* was to occur, though he did not think that it had necessarily been planned at Munich or that it was known that Herr Dollfuss would be murdered. He asked me what construction I put upon the withdrawal of the German Minister from Vienna, and, above all, upon the dismissal of Herr Habicht. As regards the first question, I said I was, in the absence of precise information, prepared to believe the statement of the German Government that the German Minister at Vienna had exceeded his duty in engaging his Government without prior reference. The German Government could not approve his action, which, indeed, might well lead people to suspect that the German Government knew that the attempt was to be made and in the event of failure were prepared to offer asylum to the rebels. Nevertheless, I agreed that the German Government were bound to take this action, whether they were parties to the plot or not, unless, perhaps, the plot entirely succeeded. As regards the dismissal of Herr Habicht, I could frankly not understand it. Herr Habicht had long ago given place to Herr Frauenfeld and was no longer considered a force. He was, however, a German citizen, which might very well be the simple answer to the question, whereas Frauenfeld and his associates were Austrian. The Italian Minister replied

that he was inclined to think the closing of the frontier, the restraint placed upon the Legion, the threat to arrest the rebels if they crossed into Bavaria, the recall of the German Minister and the dismissal of Herr Habicht were all part of an 'alibi' the German Government were anxious to establish. He was not, however, convinced of this and had still an open mind. I agreed with him that the extreme international correctness shown by the German Government was in strange contradiction to their tolerance of the anti-Dollfuss campaign in Germany for more than a year and to their official anti-Austrian action, such as the imposition of the 1,000 reichsmarks visa for Germans wishing to go to Austria and a number of other unfriendly actions. Until now they had shown very little signs of any desire to behave correctly, but he would remember that for some time past the anti-Austrian campaign had been conducted exclusively by the Austrians, who seemed to have an entirely independent position in Bavaria, and that officially the German Government had held their hand. To this Signor Pittalis replied that all this correctness on the part of the German Government seemed absurd; it had come too late and could not be taken at its face value.

6. I still remain of the opinion that it is doubtful whether the affair was planned at Munich, and that the Austrian Landesleitung or the German Government had any cognisance of it, though no doubt a good case can be made out to prove the contrary.

I have, &c.,  
D. ST. CLAIR GAINER

#### ENCLOSURE 2

*Mr. Gainer (Munich) to Mr. Newton*

No. 135  
Sir,

MUNICH, July 30, 1934

With reference to my despatch No. 132<sup>1</sup> of the 27th instant, regarding the possibility of the *coup de main* at Vienna having been planned from Munich, I have the honour to report that I am informed from a reliable source that it is openly stated at Bad Aibling both amongst the German population and amongst the legionaries that the *coup de main* was in fact carried out by Austrians from that place, who had crossed the frontier some weeks before for the express purpose. If this is true it would in some measure account for the desire on their part to be allowed a safe conduct to Germany, when the *coup de main* failed.

2. Opinion at Munich is still very divided as to whether the affair was planned from Munich. In general the balance seems to swing against the Austrian Landesleitung, in that most people believe the whole *coup de main*, including the murder of Dr. Dollfuss, was planned at Munich and executed by persons sent from Bavaria for that purpose. Most of my colleagues are of this opinion, but in the absence of precise information—which will probably never be available—I prefer to keep an open mind. If it was so planned, then it was extremely badly planned as action on the part of the Legion should have been simultaneous with events at Vienna and had the Austrian Legion been ready on the frontier, they could have crossed at once on the Tuesday afternoon before the German Government could have prevented them. This failure to co-operate has, however, been described to me as 'typical Austrian carelessness'.

<sup>1</sup> Enclosure 1 above.



3. In the German Nazi party generally there is great satisfaction that Dr. Dollfuss, the 'worst enemy in Europe of National Socialism', has disappeared. The unofficial comments upon this tragedy are very different from the official expressions of regret and horror.

I have, &c.,  
D. ST. CLAIR GAINER

ENCLOSURE 3

*Mr. Gainer (Munich) to Mr. Newton*

No. 133  
Sir,

MUNICH, July 27, 1934

With reference to my despatch No. 132<sup>1</sup> of today's date, I have the honour to report that it now seems clear that the Austrian Legion, acting upon the orders of the Austrian Landesleitung at Munich, endeavoured, in small bodies, to reach the frontier and make a raid into Austria on the 25th and the 26th instant. They were, however, turned back by the Reichswehr and S.S. guards. I am assured that they have been disarmed and transported to camps in Northern Bavaria, remote from the frontier.

2. Rumours, which are probably not without foundation, are current to the effect that the Austrian Landesleitung itself will be suppressed and that the Legion will be thoroughly dispersed. The Austrian camps in certain Bavarian frontier districts, which are more or less permanent, are still in existence, but the frontier is strongly guarded by German S.S., some 400 of whom are said to be near Freilassing, as that is the chief danger point. It is, however, said that these camps will also shortly be abolished, as it is now realised that with the temper of the Austrian Legion as it now is, there is grave danger in allowing large bodies of men to remain so near the frontier.

I have, &c.,  
D. ST. CLAIR GAINER

<sup>1</sup> Enclosure 1 above.

S.O. Code No. 59.92.2.6\*



